

THE Hongkong Weekly Press

AND China Overland Trade Report.

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BIRTHS.

On March 17th, at Shanghai, to Mr. and Mrs. JOSEPH WHITESIDE, a daughter.

On March 18th, at Shanghai, the wife of F. C. FOCKEN, of a daughter.

On March 19th, at Shanghai, the wife of P. L. RABURN, of a son.

On March 22nd, at Shanghai, the wife of Dr. ERNEST L. MARSH, of a daughter.

MARRIAGES.

On 16th March, at Shanghai, WILLIAM KNIBB STANTON to PHOEBE LAMOND, second daughter of J. B. LAMOND, of Shanghai.

On March 22nd, at Shanghai, ARTHUR MATHER PRICE to LIZZIE, eldest daughter of H. W. B. VAN GOBBACH, of Shanghai.

DEATHS.

On March 16th, at Shanghai, ARCHIBALD CRAIG WALKER, chief draughtsman, Shanghai-Nanking Railway.

On March 21st, at the Shanghai General Hospital, MIGUEL LUIZ DE CASTRO, aged 29 years.

On March 21st, at Wuhu, DORIS, infant daughter of Mr. and Mrs. E. W. EICKHOFF.

On March 24th, at Shanghai, ISABELLA AYTON YOUNG, the beloved wife of JOHN DARRICH, Shansi University Translation Department.

Hongkong Weekly Press

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ARRIVAL OF MAILS.

The German Mail of February 27th arrived per the ss. *Prinz Eitel Friedrich*, on Monday the 26th ultimo; and the French Mail of March 2nd arrived, per the ss. *Ernest Simons*, to-day.

FAR EASTERN NEWS.

The Chinese Council of Army Reorganisation intends at once to establish military schools after the model of those in Japan.

The Japanese Customs (and Courts) have decided that wool and cotton cloth is "alpaca," so far as the levying of duty is concerned.

It is expected that more than 17,000 men from five provinces will take part in the Chinese military autumn manoeuvres at Changteh Ho.

The Shanghai A.D.C., for its 141st production, chose Pinero's "The Schoolmistress," and gave it with conspicuous success on March 16th.

There have been further efforts at Peking to get Viceroy Shun transferred from Canton, but the difficulty seems to be to find officials willing to succeed him.

There were 19 cases of smallpox in one week, including 15 Chinese, two Europeans, one Portuguese, and one West Indian. Only five cases ended fatally.

Dr. Machle, the missionary who escaped from the Lienchow massacre in such a dramatic way, has taken up duties at the Presbyterian Mission Board at Iloilo Philippines.

A slight earthquake took place at Foochow at 6.45 on the morning of March 17th. It was described as one of the severest that have happened in Foochow for a considerable time.

The *Nanfungpao* says that the Kiangsi officials in Peking are preparing a joint memorial to the Throne with reference to the difficulties of the missionary problem in China.

Viceroy Chang Chi-hung has obtained from the Throne permission to establish at Wuchang a college for the training of railway engineers, the funds to be provided by the provinces of Kwangtung and Hunan.

The Chinese Emperor is reported to be suffering from a mysterious malady, the symptoms of which are an aversion to human voices and to light. On March 3rd he had an attack of vertigo, followed by a period of unconsciousness.

Independent shipowners of Tokyo, Osaka, and Kobe have formed a Trust and have sent a representative to Hongkong, preparatory to opening a regular service between Japan and Java, Sumatra, Manila, Saigon, Bangkok, and Hongkong.

Governor Hu of Kiangsi has wired to the Waiwupu, says the *P. and T. Times*, that the American and British doctors who were asked to make an examination of the body of the magistrate Chiang have pronounced that his death was due to suicide.

The *Hankow Daily News* reports that on March 26th some Chinese houses there were struck by lightning and three men killed. It was "one of the heaviest thunderstorms" ever known at Hankow, and lasted two hours. The Yangtze rose considerably.

The *Nanfungpao* states that, at the request of an official of Liling, Hu., a Japanese expert has been brought over, together with two overseers, to develop the pottery industry at that place. The clay having been found specially suitable, the provincial officials have been asked to appropriate Tls. 10,000 for pushing the enterprise, for which it is further hoped that the Shangpu will grant a monopoly for fifteen years.

It is notified in the *Gazette* that the Bacteriological Institute at Taipingshan has now been opened and that all communications intended for the Government Bacteriologist should in future be sent to his office at the Institute.

Messrs. Shewan, Tomes & Co., agents for the Yangtze Insurance Association, inform us that they have received the following telegram:— Directors will recommend at special meeting dividend 20 per cent., special dividend 5 per cent., reserve fund \$50,000.

An earthquake shock was distinctly felt in Hongkong on March 28th at five minutes to seven a.m. Apparently the residents in the higher levels were more conscious of the disturbance but certain it is that many houses were found rocking for a brief space of time.

After paying off debentures for Tls. 1,000, spending \$851 on the Pavilion, and remitting \$23 for gear, the Shanghai Cricket Club has a credit balance of \$2,587, and a stock of gear valued at \$750. There are 400 playing members, of whom 81 are absent, and 266 non-playing, of whom 68 are absent.

The Empress Dowager of China held a secret conference recently with some heads of departments. Naturally there are only guesses as to what happened, the mostly likely effort being that the Prince and the President, and Vice-President of the Waiwupu were commanded to stand firm in their negotiations with foreign Powers wherever they saw the rights of China threatened.

Messrs. Armstrong, Whitworth & Co., who are about to establish mills in Hiratsuka, along the Tokaido railway, Japan, are now reported to be laying out the required tracts, which extend over two and a-half square miles on the Banyu River. The construction works will be commenced in the course of this year and the expense of initiating the plant is estimated at about fifty million yen.

The statement of accounts for 1905 of the Shanghai and Hongkew Wharf Co., Ltd., whose paid-up capital is Tls. 3,200,000, shows a divisible balance after payment of an interim dividend of 6 per cent. of Tls. 413,065. It is proposed to pay a final dividend of 8 per cent, making 14 per cent. for the year, to place Tls. 100,000 to repairs account, and carry forward the balance, Tls. 57,065.

According to returns made by the authorities, at the end of 1904 there were 35,687 physicians practising in the Japanese empire. Of this number 700 were dentists. The number of doctors practising general medicine included 1,583 graduates from the Imperial University, 3,243 graduates from the Medical College, 2,859 graduates from Prefectural Medical Schools, and 94 holders of foreign Diplomas of Medicine.

The Japanese Budget for the 39th fiscal year, which has been passed by the Diet, shows total revenue and expenditure Y487,893,572, exactly balancing. This includes ordinary and extraordinary expenditure. In addition to this, three supplementary budgets were passed. The first amounts to Y454,450,000 for the withdrawal of the troops from Manchuria and their rewards. The second amounts to Y7,200,000 for the payment of interest on loans. The third amounts to Y76,712,767 for the redemption of loans, payment of certain soldiers' pensions, and other purposes. The Diet passed these Budgets also.

OUR FUTURE WHEAT SUPPLY. I.

(Daily Press, 24th March.)

What is the use of Arctic or Antarctic exploration? is a question that has many times been asked in recent times. Much the same question was asked when our HENRY I. acquired the then rare accomplishment of being able not only to read, but even to write. What is the use, said our Englishry of the day, in our sovereign being such a scholar? If he have only learned to govern his Kingdom aright, that is surely all we need; so in derision they gave him the nick-name of BEAUCLERC. But HENRY's learning was the first step towards the introduction of regular law, and the establishment of a judiciary, and on the foundation so laid has grown up the present Common Law of England, and the freedom which in a higher degree than their neighbours the people still enjoy. Doubtless the exploration of the regions around the poles has not resulted in the foundation of any colonies, nor the discovery of any unexpected treasure; and yet by encouraging that talent for adventure which has ever been innate in the English race, and by holding up to the people at home as examples to follow the heroic men who did not hesitate for the instruction of their fellows to undergo the privations and real dangers of Arctic exploration, in an important even if secondary sense, those explorations and adventures have far more than repaid their cost to the nation. We need only mention in connection with our topic such names as PARRY and ROSS, and in later times MCCLINTOCK and MACLURE, not to mention the later MARKHAM, to indicate the effect on the personal of the navy of these adventurous expeditions which may be said to have kept alive its spirit during the long period of inactive peace that followed the great battle of Trafalgar.

Of late years when other nations have entered the arena we notice the same effect. Amongst the most strenuous and persevering of these has been the comparatively small state of Norway, and undoubtedly in the prowess shown by explorers such as NORDENSKIOLD and NANSEN the country has learnt a lesson of which she has not been slow to avail herself, and the result is shown in the revival of the ancient spirit of the Vikings and the enormous growth of the Norwegian mercantile navy. In 1899 Professor KRISTIAN BIRKELAND was sent to Spitzbergen to study the electric phenomena connected with the auroras of that northern land. No more useless undertaking, judging from past experience, could have possibly occupied the attention of a nation. The exploration of the aurora doubtless brought little direct good, but it taught Professor BIRKELAND a practical lesson, for the investigation of the aurora brought him to study the action of electricity under low pressures and the various phenomena of the kathode rays.

One of the most pressing problems of the future is the task of feeding Europe. In many portions of Europe, and more especially in England where the greater portion of the population is engaged in industries or directly dependent on those who are, the country is not able to produce wheat in sufficient quantities to support its present population, and has been for many years directly dependent on the import of wheat from abroad. Wheat is undoubtedly necessary for the physical and mental economy of the northern peoples, and hitherto it has been mainly supplied from the Western States of the Union whose produce was practically inexhaustible. But even in the rich agricultural prairies of the West the

lavish hand of nature has attracted the industrial element, and where less than fifty years ago was only to be seen the plough of the farmer preparing the land for the sowing of his wheat, are now to be noticed large cities and busy hives of industry, the feeding of which retains in the land the greater part of the agricultural products. In a less but continually increasing ratio is the great wheat-growing North-West of Canada beginning to be occupied. Through a false system of cultivation increased by the continual demands of a bankrupt government the wheat crops of Russia are gradually but surely dwindling in both quantity and quality, and similar agencies, though in a much less pressing form, are already at work in South America. Even when we have said so much we have not told all. These wheat growing countries which at present raise that staple for large portions of the industrial world were still within the last three-quarters of a century covered with virgin soil; now wheat is the most exhausting of all crops, and in a few years by depriving the soil of its nitrogen stored up during long ages of inaction, renders that soil actually incapable of yielding any more wheat. But two remedies are possible; one is to restore the land periodically to a state of nature and permit it to recuperate; the second is to apply artificial nitrates in such a form as can be readily assimilated. The first is a slow process and implies the practical withdrawal for terms of years from the world's available sources of supply of huge areas from the already restricted districts available. In the second a huge danger stares us in the face. In the old days the pasture lands came to the rescue of the agriculturist, and the stock on the farm yielded the necessary supplies of nitrogen to revivify the exhausted land, but with the growth of enormous urban populations this source is gradually drying up, and for supplying the deficiency the world has come to rely more and more on mineral nitrates. Guano which in the last century supplied the want has practically been exhausted, and the great nitrate beds of Chili have come to be our main dependence. But even Chili nitrates are not inexhaustible, and now it has become only too apparent that the supplies from this quarter will not be available, even for the duration of the next generation. Experts indeed limit their continuance to so short a period as from twenty to fifty years, the latter being the outside. Under the circumstances the nitrate question has for the last few years become, it may almost be said, one of the most absorbing problems of civilisation. It has long been known that one family of plants possesses owing to the presence of a much despised microbe the power of assimilating the nitrogen of the air; and in the enormous export of bean cake and bean oil from Manchuria to Japan and the southern ports of China, we see an instance of the practical utility of the despised organism. But the world does not possess a sufficient area of bean producing soil to meet the wants of the case, and Manchuria is the only country where the industry has taken root to an appreciable extent. It is true that more than a century ago an English philosopher showed that by electric sparking through air nitrogen could be abstracted, in however infinitesimal quantities; even the small amount of nitric acid produced at enormous expense by one discharge was apt to be immediately decomposed by the succeeding, so except for laboratory experiments the process afforded no hope of success. But chemists in England and the United States have been applying themselves assiduously to these

subjects, and their observations seemed to show that the separation of the nitrogen in the form of nitric oxide was brought about by the heat rather than by the electric effect of the spark.

Now it so happened that Professor BIRKELAND in his researches on the aurora was led to experiment on the flattening of the kathode rays in a magnetic field, and thereby got the first inkling of the possibility of flattening out the flame of an arc discharge, and thereby succeeded in establishing in an electric furnace a complete flame disc; the air passing through is thus broken up, and the nitric oxide resulting is led into an oxidation chamber where it is still further oxidised, and neutralised with lime, the calcium nitrate resulting being evaporated and fused and afterwards run into iron cases. Such is merely the veriest outline of a process which points to being in the near future of enormous economic importance. Of course its eventual economic success depends on the production of the necessary power at a sufficiently cheap rate. It could not be accomplished, for instance, in England where the cost of fuel would at once destroy its economic feasibility; but in Norway where an enormous source of power latent in the numerous mountain streams and cascades of the country still remains disposable, it has apparently been found possible to turn out the calcium nitrate at prices that enable it to compete on equal terms with nitrates imported from Chili. As a manure the calcium nitrate has been found almost if not quite as effective, and there seems a good prospect of its production becoming a great industry, and one besides not subject to the risks of the Chilean product.

OUR FUTURE WHEAT SUPPLY. II.

(Daily Press, 26th March.)

What we said on Saturday as to the calculated shortage of wheat in the not distant future is a not altogether enlivening prospect for humanity. Certain French philosophers have recently been prophesying that humanity in the future ages of the world will have to become a vegetable eater, but as that is not likely to happen for many hundreds of years hence, the present dwellers on the face of the earth need hardly trouble themselves over the prediction. The probable shortage of wheat which is likely to occur within the next generation is one to which the statesman cannot afford to shut his eyes, and as the first rumblings of the storm are already upon us it is well for those to whom will be entrusted the steering of state to ponder on the new conditions which must prevail before the century has attained its majority. The nineteenth century, it is hardly necessary to repeat, has been unique in the history of the world. It is only within the last few years that we are beginning to realise how advanced was the old civilisation of Egypt and the Mesopotamian plains: partly that civilisation wore itself out; partly it was destroyed under the encroachments of peoples in a lower stage of culture. In any case it comprised but a limited portion of the earth's surface. In many respects it differed markedly from that of modern times: not only was it confined within narrow limits superficially, but it depended practically entirely on the products of the surface; and in a great measure died out naturally when the productiveness of the land began to diminish. One of the great mainstays of the modern civilisation has been that in an even greater proportion it has been dependent on the subterranean

riches of the crust itself; and over huge districts these are already beginning to show signs of exhaustion, and it has become a matter of calculation how much longer they can be called upon effectively. There is unfortunately the distinction between the two, that whereas the products of soil, if we handle them with judgment, will in the course of nature, and by natural means, continually renew themselves, the subterranean wealth of a land once removed can never be restored. Practically the civilisation of the nineteenth century has been built entirely on coal, and the possession or not of coal has been the actuating factor in national greatness. Such facts might have naturally been expected to produce economy; that they have not has been due to another but collateral series of events. The creator, as he may fairly be called, of the age was of course JAMES WATT: Finding that certain inventive minds had been seeking to use the expansive force of steam to assist human labour, he took up the fascinating problem, little thinking that the task that he had undertaken was about to revolutionise the world; socially and politically as well as industrially. Under his hands the steam engine hitherto but a plaything became a perfect machine, which a little experience showed could be employed in every department where human labour had previously been the motive agent. But the new power needed food as well as the more old-fashioned labour of human hands; that food was, however, to be found underground, and was known to be extensively developed in England—so extensively that to the statesman of the day it appeared absolutely inexhaustible. JAMES WATT's steam engine would in any case have had far-reaching consequences, though without collateral circumstances it would hardly for generations to come, at least, have transformed a world. Just thirteen years before JAMES WATT, in a small Scotch provincial town, another remarkable man, ADAM SMITH, was born. ADAM SMITH was not a mechanical inventor, but taking up the philosophy of human production he invented, we may say, an absolutely new science, that of political economy: the one man's thoughts were the necessary complement to the other's practical genius. Under WATT's invention it soon became manifest that articles of daily need could be produced of better quality and lower price than under the old conditions. There was, however, a limit to the available markets for their consumption, and ADAM SMITH showed that this limit was largely due to restrictions on the natural course of commerce, partly political and partly financial. The ultimate effect of WATT's inventions supplemented by SMITH's teachings was the supersession by Free Trade of the old policy of restriction, with the result that British industries for more than half a century ruled the world.

But a change so wide reaching could not be accomplished without, in the happy phrase of DARWIN, raising up a host of correlated variations. The altered conditions of labour led to an entire inversion of the old relations between labour and capital. Legislation for the benefit politically and socially of the working classes, and for their sanitation and education, began to occupy a prominent place in the councils of the land; and in the midst of these distractions ordinary economy was thrown to the winds, and the political economy of the early freetraders reduced to the weakling fetish of the Cobden club. Weakly paandering to the mere cry of numbers as contrasted with intelligence, the old constituency of the country

was watered, and, before the newly enfranchised had assimilated their privileges, was weakened again. Politically the situation bears considerable likeness to that of Rome under the Antonines. In some respects the substitution of slave labour for the hand work of the free Roman labourer paralleled the substitution of the machine in modern times. One result, in the beginning at all events, in both cases was the raising of the status of free labour, but collateral influences were at work which tended to lower to this status to that of a proletariat. A century later in Rome the cry before which Emperor and Senate had to crouch helplessly was the ominous shout from the once independent working classes of *Panem et Circenses*. Now it is an unpleasant fact, not to be concealed by any process of apologetic sophistry, that in the recent cry of the "Big Loan," under which the last General Elections were decided, we have heard the first mutterings of a similar cry. Indeed we may even go further and suggest that in the open favouring of the recent cry of the right of the working man to state employment, favoured as it was by many of the Radical candidates at the election, we have already gone near the corresponding demand of the Roman proletariat for absolutely free bread.

But to return to the subject of national economy which has been left out of sight by our modern professed "freetraders," be they Unionist or Liberal, it is true that a statesman's main concern is with the present, but history has never condoned the man who failed to look in the face the problems of the near future. Already the careful observer sees unmistakeable signs on the horizon that the question of wheat supply is in the increasing population of the Mississippi States, and the approaching exhaustion of the nitrate beds, of which we spoke a few days ago, becoming of importance: the present indications are that by the middle of the century it will have become the pressing problem of the day. Of equal if not greater importance to the nation is the extinction, now within thinkable limits, of our coal supply. In the days of Sir ROBERT PEEL, when Free Trade was a living entity, we could afford to look with justifiable complacency on the situation. The exhaustion of our coal treasures according to our then consumption was a matter of many centuries, and none but a statesman of the calibre of DON QUIXOTE would have felt himself called to legislate for his descendants in the sixtieth generation; but the situation to-day is far different, and already the comparative scarcity of the fuel is beginning to react on our industries. We have been extravagant, in fact, to unpardonable extremes; and not content with wilfully wasting at home this our most important national asset, we have been sending it abroad in continually increasing quantities to the very great advantage of our competitors, and this has not been done ignorantly, but in the face of the warnings of officially appointed commissions. So much for the industrial side of the question; the political affords a hardly more agreeable prospect.

Consciously or unconsciously under the false pretence of free-trade we have been backing up abroad the most unblushing system of protection that the world has yet seen, and under its influence we have been permitting our home industries one by one to be dried up to the roots, or transplanted bodily to our competitors' country, with the result that our own unemployed labour is becoming a growing cause of national concern. Complacently too, without in any way recompensing the country for this loss of

its most important asset, we have been actually supplying abroad under the name of free-trade the sinews of war. If the direct effect of free-trade has been the building up of the North and West with great cities such as Manchester and Birmingham, the inevitable result of our present policy will be, in probably a still shorter period, to render these hives of industry little better than heaps of ruins as desolate as the long departed cities of ancient Chaldea. These are the lessons which the result of the recent election has brought vividly to the front. At the moment the country, in the first stages of political intoxication, has lost the power of seeing things as they really are, but the inevitable awakening must come, and its coming cannot be long delayed. Let us hope that it may come soon enough to avert the break up of the even to-day powerful British nation.

CHINESE IN BRITISH COLONIES.

(Daily Press, 27th March.)

The Chinese emigrant question is likely as time goes on to assume an importance which will make it imperative that some definite action with respect to it be taken by the Colonies in conjunction with the Imperial Government. As the matter at present stands, the Imperial Government has to deal with China on the subject, while it is necessarily settled by the various Colonies to which the Chinese are desirous of emigrating. This is manifestly an illogical position; and though it might be of little consequence so long as the number of Chinese who wished to go to our Colonies was small, it assumes a very different aspect now that such emigration has so largely increased. It is impossible for the Imperial Government dealing with the Chinese Government to uphold the principle that the Celestial shall be absolutely excluded from any part of the British Empire without going counter to the claims which we make for reasonable right of access to China. Such a position is so manifestly inconsistent that no one would seriously advocate its adoption, especially in face of the strong feeling which has been displayed by China in respect to such a course being adopted in the United States, and the fact that that country has found it necessary to modify the ultra-exclusive policy which had been followed in deference to the protests and counter-action which it called forth. If we claim the right to come to almost all parts of China it is impossible to exclude the Chinese, if they think fit, for going upon similar terms to any part of the empire which is open to the subjects of other nations. This is so manifestly in accordance with justice, when considered upon abstract grounds, that few people will be disposed to dispute it. But when the question is looked upon in its practical bearings and in the light of undeniable facts it assumes a very different aspect. It is beyond denial that there are social and other differences between the Chinese and Europeans which cannot be overlooked in dealing with the matter. Chinamen's ways are not our ways, and their adroitness in anything like numbers to any one of our Colonies becomes not only at times a difficult economical question by its effect upon the labour market, but it is undeniable that in some respects it raises up problems of internal administration which are not always easy to deal with. The opposition in our Colonies, it is but fair to admit, has for the

most part, been chiefly on the former ground. The Chinaman is for the most part an awkward competitor both for work and for trade on a minor scale wherever he has set foot; and in these days of severe competition it is not surprising that some of our Colonies—notably Australia—have set themselves against anything in the form of Chinese immigration, and have become more and more exclusive in their legislation on the subject. There are not wanting signs that the newly-formed Labour Party in England will endeavour to use its influence to increase this opposition to what they regard as an invasion of fields of labour which should be open to them without such undue competition, and thus there is every prospect of the anti-Chinese attitude in our Colonies being increased to a marked extent before many years have elapsed. Mr. KEIR HARDIE indeed has already declared that the Labour Party will make it its business to use its influence in this direction; and that influence may have very serious effects in Colonies where the labour vote is of almost dominant weight. A great deal of the intense opposition to the importation of Chinese into South Africa, which had so serious an effect at the recent elections, arose in reality from the idea that the Chinese were ousting "white labour." The non-sensical "slavery" cry was not the sole and probably not the main motive force. It was the idea that but for the Chinese a large number of English labourers could find employment; an idea which was entirely mistaken, as it has been proved already that unskilled labour was unsuited for Europeans. This, however, is not the case in Australia and other places where the Chinese and other Asiatics may compete with Europeans; and there is no doubt that if fixed relations were established between the labour organisations in England and those in the Colonies, a position might arise which would be embarrassing alike to the Imperial and the Colonial Governments, whenever any question as to Asiatic immigration into any of our Colonies might arise. It may be accepted, however, as certain that the principle of absolute exclusion cannot be maintained in the present day; and it is to be hoped that the extreme labour advocates both in the Colonies and in Britain will refrain from using their influence in a way which would end in seriously embarrassing both the British Government and the Colonies. This would certainly be the result if exclusion of Asiatics be pushed to an extreme. The Imperial Government cannot of course dictate to the Colonies upon a matter affecting their internal administration; and would find itself in an awkward position in vetoing any measures passed by Colonial Legislatures on such a subject. On the other hand it is the Imperial Government which would have to deal with China or any other Asiatic nation in regard to any reprisals (such as the recent boycott of American goods) which might be taken by the Asiatic nation that felt itself aggrieved, and in this important direction the question is an Imperial and not a Colonial one. Some understanding, therefore, ought to be come to, if possible, between the Colonies and the British Government on the subject, with a view to avoiding friction of a dangerous character which might at any time arise. Certain restrictions upon Asiatic immigration may reasonably be imposed both upon economical and also upon social grounds; but it will be difficult to uphold a right of absolute exclusion as has been threatened in some instances, without raising international questions which may have serious effects upon our commercial

position with the Chinese or with others who might be thus excluded.

HONGKONG CHAMBER OF COMMERCE.

(Daily Press, 28th March.)

To-day the annual meeting of the Chamber of Commerce is to take place; so far as we can see, there is less business of importance than usual. The annual report, which reaches us rather too late for adequate analysis, states that during 1905 the members had fewer questions than has been customary in recent years to deal with. The Pilots Ordinance of 1904 is the first subject mentioned, and there is little new to be said about it. There was, and probably is still, a desire on the part of the European pilots to obtain exclusive command of this industry, but the views of the Chamber were against this, and were shared by the Governor and by many shipowners. The reply of the Colonial Government to the Chamber's request for details of any proposed legislation in the nature of Fiscal Reform, the report says, "can be regarded as satisfactory." We should hardly have expected the members to rejoice unduly at the noncommittal reply, which said in effect that the Chamber of Commerce was not a body to consult with regard to Imperial questions, but the Colonial Government would continue to seek its advice in such trade matters as could usefully be referred to it for opinion. There is not the slightest doubt that its opinion on any proposal of the kind indicated, however much a part of Imperial policy it might be, would be forthcoming; and we suppose it will now look elsewhere for the information asked for, if it should ever be needed. But there is small likelihood of that at present. Of course the Colonial Government must have been thinking of the international composition of the Chamber when that reply was framed; but little alarm on that head should have been felt. It is almost certain that every member of the Chamber would consider any fiscal policy affecting the Colony from the purely commercial standpoint. It may be noted that the co-operation of the Chamber with the shipping Firms and Agencies promises to greatly enhance the value to shipmasters of the daily returns from the Weather Bureau. With regard to the important subject of Partnerships Registration, the Chamber, though admittedly keenly interested, proposes to wait and watch the experiments of other people. A voluminous appendix gives full information of the movement in India and Singapore; and the report comments: "the Committee have closely followed the progress of the above-mentioned attempts to legislate for the compulsory registration of partnerships, but see no reason at present to depart from the attitude adopted in the last report." We fear that present indications do not promise any very encouraging example for local emulation. It seems that the opinion of the Chamber was taken with regard to announcing public holidays during the recent royal visit, and that they advanced good reasons for not overdoing this Far Eastern luxury. Those correspondents who wrote repeatedly advocating more holidays will no doubt have cause to offer, but the consensus of material opinion will be that the Chamber took a proper view of the matter. These appear to be the only features sufficiently salient to require immediate notice.

SHANGHAI IN 1905.

(Daily Press, 29th March.)

There probably never was a more interesting Report issued by the Shanghai Municipal Council than the annual report for 1905. It holds the reader's interest more than does many a modern novel, and as we can do no more than skim its five hundred pages of closely packed history, we recommend readers to procure copies for themselves. The contribution of the CAPTAIN SUPERINTENDENT OF POLICE is perhaps the most coloursome. Beginning by noting "the extraordinary growth of houses—houses larger and of finer architecture than formerly—the enormous area over which these new houses are springing up on the Settlement's outskirts, the great growth in the native population, and the increase in numbers and in variety of the foreign residents," Captain BOISRAGON mentions the large increase in freights, and proceeds to show how much depends on an efficient police force in such a place. Incidentally, he mentions an interesting arrangement by which all the Indian watchmen are to be primarily enrolled in the Police, and their services lent for fixed periods to those who may require them. The history of the Mixed Court in its perhaps most important year is detailed, and a new incident reported by the gentleman detailed to watch for irregularities is described. It is alone sufficient to show the need of greater foreign supervision of the magistrates who flagrantly defy their own Imperial Edicts. During the first week in January of this year, states Mr. A. H. FENTON, cadet, two young girls who had escaped from a brothel were ill-treated at the Mixed Court. They complained that they had been beaten, and wished to be sent to a refuge provided for such people. The Chinese woman, their late mistress, was sent for, and she denied beating them, and accused them of theft. One of them, only ten years old, was stormed at and threatened, to make her "confess"; the other was, with a similar object, given fifty blows on the mouth! The Magistrate guilty of this atrocity is a tool of the anti-foreign TAOTAI. With regard to the riots, it appears that the police partly expected them, but that, in the hope of the trouble blowing over, they were not allowed to take steps that might have nipped it in the bud. Investigation afterwards confirmed the suspicion of official connivance. We read, "The manner in which the attacks were delivered, the class of people in the Settlement at the time, and the general organisation, showed the work of persons of a higher class than loafers and beggars." And more significant still, "it should be explained that the object of the strike in the first instance was to inconvenience foreigners as much as possible, and demonstrate to the Higher Authorities the attitude of the native community of the Settlement towards the action of the Foreign Authorities in the matter of the Mixed Court. . . . There is evidence in the possession of the Police to show that intercourse of a confidential nature had taken place before the riots between certain native officials and the promoters of the movement which culminated in the riot, and there appears little doubt that the entire action of the latter had the approval of these officials." The report further teems with incidents showing the revived hostility to all things foreign. The particular TAOTAI concerned on several occasions in the correspondence speaks or writes as if he were a high diplomatic representative of Imperial China, and once indeed, makes a remark very suggestive of

a desire to break off relations with "Foreign Powers." He is the official with whom the Doyen of the Consular Body did abandon negotiations, finding it impossible to get any satisfaction. It appears in another part of the report that *lekin* runners have been entering the Settlement to collect unlawful duties, and that but for the watchfulness of the police, so strong is "the inert resistance of the neighbouring local magistrates," this breach of treaty would be more frequent.

From the HEALTH OFFICER'S report, we glean many interesting items of information. Its burden is that prevention is better than cure. Tubercular disease is rampant among foreigners as well as natives, and a public milk sterilising station is recommended. Dr. STANLEY makes one comment that perhaps deserves particular attention here, viz.:—

"Regarding the influence of public criticism on Municipal sanitary work, errors of omission and commission being announced without excess of charity, it may be noted that efficiency in detail of obvious measures tends to be improved thereby, but that it causes a stagnation of true effort. Popular sympathy with sanitary work is much to be desired. Requests for sanitary inspection and help in sanitary matters should be more frequent. The public should look upon the Health Officer and Sanitary Inspectors more in the light of sanitary advisers, easy of access and always ready to attend to their wants, rather than a sort of policemen on the look-out for some sanitary crime."

Another comment by him is rather depressing reading for us. He says, "Once plague has obtained a hold, there are no known sanitary measures capable of coping with it, as is shown by the sanitary history of Hongkong and Bombay." Further comments hold out little hope of Shanghai taking the view of our local Chamber of Commerce, that the northern port's restrictions on shipping were "unnecessarily stringent."

A SHANGHAI COMEDY.

(Daily Press, 30th March.)

A comedy recently enacted in the United States Consulate at Shanghai throws a curious light on the conditions prevailing at that cosmopolitan port. All the characters represented belonged to that Bohemian class more usual in evidence in the recently settled Western States of America than in the older communities of Europe or Asia; and the differences in the ordinary procedure of English and American Courts lent a tinge of variety to what would otherwise have been a merely sordid case. A lady, formerly a native of the States, but recently married to a Russian subject, who did not, however, appear in the case, had been the victim of a robbery wherein goods and papers of considerable value had been abstracted, but the lady principally interested having, apparently from some freak not explained, thought fit after the robbery to proceed to America without having instructed anyone to appear for her, the Municipal Police in the interests of law and order appeared as the prosecutors. The actual culprit was a British subject who had at some period been constable in a British Consulate, and had since been living about Shanghai mainly on his wits. He had confessed to the crime, but had implicated as the instigators two Americans, man and wife, who were moreover intimate friends of the lady herself, and at the time of the robbery were actually entertaining the lady at dinner. The two chief witnesses for the prosecution were the actual thief at the time undergoing a term of imprisonment for the crime, and the Inspector of the

Detective Department of the Municipal Police, who was moreover acting as the actual prosecutor, while the defence had engaged as their legal advisers two American Counsel, well-known in Shanghai, who in the words of the Consul General trying the case were prepared to use "every legal technicality which could be urged in favour of the accused;" and with reference to whose contentions he added "That in recognition of the sanction which the law gives to such procedure there has been patience and more or less resignation and submission even to useless argument, to superfluous oratory, to unnecessary and uncalled-for invective, and to unasked-for advice and mistaken definitions and conclusions as to the duties and authority of this Court." The lady had been staying at the Astor House Hotel, lately all alone, for one of the peculiarities of the case was that her Russian husband does not appear to have taken any interest whatever in her proceedings from first to last. She had a considerable amount of money in her possession, and, apparently acting on the advice of her friend went to the Hongkong Bank, and exchanged it for a draft on the United States for something over thirteen thousand dollars gold. The draft was payable to herself, and one of the curious points in the case is that she finally seems to have gone to America without taking steps to stop payment, or taking any further notice of the affair. The wife of the man accused being asked as to the possible reason suggested that she was a woman accustomed to act on impulse.

The only direct evidence connecting the accused with the robbery was the testimony of the former constable in the British Consulate on the Yangtze. He had been tried and found guilty, largely on his own confession, in the British Supreme Court, and sentenced to a term of imprisonment. He had, he said, gone over the river one day to fetch some things from the opposite shore, and on his way had fallen into the water, and got his clothes wet. Calling at the hotel bar to have a glass to warm himself somewhat, the accused had apparently out of pity asked him to his house where he could lend him a dry suit of clothes. This was not denied. When he got there the accused and his wife commenced, according to the witness, to talk over the lady's affairs, and told him how she was coming to dine with them the following night, and gave him the number of her room and described a box which he could go and take and bring to them, describing the contents. It was not denied that the accused had spoken of the lady and her wealth, but it was explained that the purport was to give the ex-constable a high opinion of the friends with whom the accused associated. At all events the ex-constable, however he knew of it, did that night go to the lady's room, and steal the box.

According to the ex-constable he at once proceeded with the box to the accused's house, and the latter proceeded to open the box, and took out some jewellery and a packet, which the accused said should be returned to the lady as it contained some divorce papers. All this was denied by the accused, who was examined, but no attempt seems to have been made at cross-examination. A detective was afterwards examined with regard to a pocket, but the examination was objected to on the apparently frivolous contention that the detective had been in Court during the examination of other witnesses, during which, however, nothing whatever had been mentioned about the finding of any papers. The Counsel for the accused further held that the witness being a detective was *de*

facto infamous and incapable of testifying. Although the judge rebuked Counsel the examination which afforded the only practicable means of solving the mystery was not proceeded with, nor was the Chinaman who had handed him the packet, and who it was stated was at hand, produced. It did, however, turn out that the detective had taken the packet to the Hongkong Bank, where it was found to contain the original draft, as it had been handed to the lady and without any endorsement, and therefore of no negotiable value. With regard to the other contents of the box consisting of valuable jewellery, the ex-constable said that he had been told by the accused to sell it; he had taken it away for the purpose but had done nothing, when he was accosted by an American dealer, who asked him about it, and when he expressed some surprise at this, the dealer, knowing anything about the affair the latter told him he had been given his instructions and knew all about it. It had been intended to call this alleged receiver as a witness, but he being already charged, his Counsel objected to his appearing; this being a reasonable objection he was not called. The line of defence adopted by the Counsel for the accused was equally comical with the rest of the proceeding. The lady being married, he held, could not possess any property, and therefore it was clear nothing could have been stolen. It is right to say that the judge at once scouted this silly contention without calling on Counsel to produce evidence as to the lady's coverture. She had acted all through, in fact, as her own mistress, and there was nothing to show that her presumed husband in any way interfered in her affairs. Overruled but unabashed the Counsel then proceeded to teach the Court its business. It was, so it was alleged, trying an American citizen according to English law for a pretended offence against a Russian subject! It was quite true that American Courts in America did exactly the same thing, but that was no matter, the American Consular Court had been instituted to administer American Law, and had no right to take its precedents from modern American Courts, which it was known ignored the Common Law. In a British Court the presiding judge would, as a matter of course, at once have suspended the offending Counsel till at least he had withdrawn his remarks and apologised. But American practice is against such summary methods, and the Counsel was permitted to the best of his skill to argue out this astounding theory. Fortunately the Court was equal to the occasion, and permitted Counsel to argue himself out, and finally wound up by stating in the finding that although a freer hand had been given than was perhaps proper and permissible, as a reward it hoped that in the future there would be a clearer understanding that American Courts under extra-territoriality are to be guided by the same constitutional laws as at home.

The other pleas being practical, that uncorroborated testimony from a criminal witness could not be taken as conclusive, and that there was no proof as to the identity and the ownership of the goods, the only person capable of proving these points being the lady who had left Shanghai without taking any steps in the affair, were of course allowed without demur; and on these points the Court, after a due consideration of the circumstances, dismissed the case. The whole case is, however, an instructive instance of the occasionally comic situations brought about by the conflict of jurisdictions in a community where there are as many jurisdictions as there are

nationalities. Shanghai, as the Court stated, is unique amongst the larger and more important communities of the world. The contests of the Counsel with the Court were the least edifying portion of the entertainment. But they, it is noteworthy, were not brought about by the local conditions but were mere vulgar attempts to browbeat the Court in the person of the officiating judge. The flight of the lady most especially interested, too, immediately after she had reported the robbery, and without taking any steps to have her evidence taken, was hardly to be attributed to any special local considerations. Perhaps the want most in evidence was that of a public prosecutor. In the interests of good order the Municipal Police to whom the robbery had been announced by the most interested party, the loser herself, rightly proceeded with the case, but they were hampered by having no professional prosecutor to represent the Municipality in Court. The consequence was that the Counsel for the accused evidently looked upon the affair from beginning to end as a good joke, where they might fire off any number of coarse jokes about detectives in general and those of Shanghai in particular.

Considering the unusual circumstances surrounding the entire case, the Court acted with marked moderation and ability; but it is to be hoped for the good reputation of Americans generally in China that the crude attempts of the Counsel engaged for the defence to upset the foundations of law and order will be put an end to in some way. They have long made the American Consular Court a laughing-stock by their burlesque of law.

SILVER AND THE HONGKONG DOLLAR.

(Daily Press, 31st March)

Everybody understands that prices depend upon supply and demand; but when the commodity under consideration happens to be silver, it is soon discovered that there must be other factors to account for the abnormally increased value, which now promises to remain steady for some time to come. As we mentioned in our review of the year, the price of silver in 1905 was higher than it had been throughout almost the whole of the decade then closing. "When falls the Coliseum, Rome shall fall"; and when silver rises, so does the dollar. It has come home to everybody, big or little though his business interest may be, that the steadiness of the rate during the last three months has been against any hope of an early decline; and we are beginning to realise that it is time to adjust our plans and circumstances accordingly. To some it may sound odd to speak of hoping for a drop in the dollar, and they, whose circumstances have been improved by their position between the dollar and sterling, will need to paraphrase the adage and think "it is a good wind that blows no one any ill," before they can realise that one man's meat may be another man's indigestion. The local investor, for instance, who looks to Hongkong only for his prosperity, and does not meddle with exchange fluctuations and their possibilities of turning a speculative penny, has had the mortification of seeing the value of his holdings steadily decline, while all the time knowing that business has been good and his undertakings sound and in a highly favourable position. If he has for any reason had to rearrange his investments, and to sell, the enhanced value of the dollar has been, and still is, against him. If he follows the crowd, and re-invests in sterling, he does not improve

matters materially. The rate of returns now obtained is far less than his Far Eastern experiences have accustomed him to, and he sees that his action has helped to still further depress a market that ought otherwise to have been rapidly recovering itself. All this, of course, is almost in the nature of truism. The real trouble has been the uncertainty as to whether the dollar is going to stay at two shillings for any length of time. That uncertainty seems now to be diminishing: the probabilities are that there will be no receding for at least a year; and although we are reluctant to commit ourselves to anything like a prophecy, we believe that no serious change need be anticipated for a longer period still. The £4,000,000 worth of silver withdrawn by Russia for war purposes cannot return to normal channels so quickly as it left them; Japan's purchases from America, which, by reducing the London supply, gave a direct fillip to the upward movement, have to be also taken into account; we are told, further, that American prosperity was responsible for an altogether unusual consumption of silver for art purposes; tenders for the French Mint were heavier; while India was a consistently steady purchaser. Add to these the influence of speculations, and there is sufficient to ensure dear silver without entering the argument as to supply and demand. A local financier who closely watches the market for metals was some weeks ago attaching much importance to the high prices of copper and lead, perhaps assuming that, silver being frequently a by-product of such mines, they would tend to increase the output. It may be correct, to some extent, but it seems clear at present that, while such inroads were made on the existing stocks, and while the demand continues great, there has been no very appreciable increase in the out-turn. Mexico is the chief source of supply, and its stoppage of free coinage cannot be expected to encourage greater production. In this connection we may call attention to an extract elsewhere reprinted from *Dun's Review*, headed "Silver in Mexico and the Philippines." While American people prefer to carry paper money, and their Government holds an enormous reserve of standard silver dollars (about our hundred and seventy millions), and while the European demand (believed to be particularly strong in Germany) continues as it does, we out here need not count upon a falling dollar for some time to come. That means, incidentally, that except in the case of one or two especially favourably situated stocks, the local "bulls" need not hope for quick returns of a (to them) satisfactory sort.

THE PEAK TRAMWAY LITIGATION.

(Daily Press, 31st March.)

While legal proceedings as a rule do not possess much interest for others than those immediately concerned, it is admitted that what is described as the Peak Tramway litigation falls under a different category. It is of interest not only to the community because of its effect on present and prospective enterprises which are beneficial to the public, but it affects the large section who are associated with public companies. That being so, the judgment delivered on Wednesday by the Chief Justice claims an importance commensurate with its length. In considering the effect of that decision we shall only do so from the public point of view and shall not concern ourselves with the contentions of the parties or the many legal quibbles involved.

Broadly speaking, the action was brought by a number of shareholders who objected to the Peak Tramway Company being wound up with a view to merging in a new company which was to work the concession for another tramway and the old undertaking together, or the objection may have been more pronounced with regard to the offer of \$200 per share, the contention being that they were worth much more. Certain irregularities in the notice convening the meeting of shareholders to decide the questions of winding up and reconstruction, or amalgamation, formed a strong basis for the arguments advanced by the plaintiffs for an injunction to restrain the defendants from carrying the resolutions into effect, but the crux of the whole debate was whether the minority could be ousted by the majority from rights given to them by law. One of the remarkable facts of the case was the disclosure of the plenary powers given under its articles by the company to its general managers, who were subsequently the liquidators, and it was this that constituted the strongest part of the defence. On the face of it the litigation was a struggle over the price to be paid for the shares held by the dissentients. It was a contest between a small minority and an apparently overwhelming majority. Law and equity having decided that minorities were entitled to protection, it followed that the resolutions, which, intentionally or otherwise, deprived the dissentients of their rights to have the price to be paid for their shares settled by arbitration, were irregular. The judgment upholds the rights of minorities. Of course the irregularities exposed can be set right by calling another meeting, of which adequate notice is given, and carrying the resolutions afresh. But there is just the possibility that some of the shareholders who previously formed the majority and were willing that their shares should be transferred to the new company may now come to the conclusion that it would be more profitable to sell out at the price to be fixed by arbitration. Yet this will not be disconcerting to the promoters of the dual enterprise if that can still be carried out. Provided the new Peak Tramway Bill receives the assent of the Governor in Council and the two undertakings are worked together, then from the promoters' point of view all is well. A great deal, however, depends on the view taken by shareholders when they come to consider afresh the proposals put before them by the general manager. They may not be afraid of the competition of a prospective new tramway and decide to work their own undertaking as before, allowing the new company to tap fresh districts, or they may consider that after all, safety and dividends are to be found in amalgamation. Whatever is done there must be a combination of interests—the interests of the public and the interests of the shareholders, and whether it be competition or amalgamation we feel sure the need for improvement in the present service will not be overlooked and that very soon residents will be able to welcome changes arranged for their benefit.

Discussing the threatened amendments, which it appears to regard as not unlikely, the *Tientsin Times* remarks:—But the main responsibility for these outbreaks lies, we maintain, with the Government, which allows to be appointed to important posts men who have no other aim or object in life than to get back, with interest, the money they have paid for their positions, and who, in working to this end, fear the people they are supposed to govern, because they dare not curtail their liberties and squeeze them at the same time.

HONGKONG GENERAL CHAMBER OF COMMERCE.

Mr. E. A. Hewett presided at the annual meeting of the Hongkong Chamber of Commerce, held on the 28th March in the City Hall. Supporting him were the Hon. Mr. R. Sheehan, Hon. Mr. C. W. Dickson, Messrs. N. A. Siebs, A. Haupt, J. R. M. Smith, A. G. Wood, G. H. Medhurst, and D. R. Law, members of committee. The others present were—Messrs. B. L. Batliwara, F. J. V. Jorge, F. Salinger, A. Forbes, J. R. Michael, C. Pemberton, C. Thompson, O. Ellis, J. D. J. Leiria, E. O. Murphy, W. H. T. Davis, J. Wilkie, T. P. Cochrane, W. D. Graham, D. M. Nissam, H. M. Tibbey, W. M. Watson, E. Ormiston, E. A. Soolemanje, S. Mowjee, L. Berindoague, and A. Rumjahn.

The CHAIRMAN said,—Gentlemen, with your permission we will as usual take the report and accounts as read, but before proposing the passing of these documents I will make a few remarks with regard to the principal matters which have engaged the attention of the Committee during the past year.

Touching the working of the pilot ordinance. Since our last meeting further correspondence has passed between the Chamber and the Government and it is satisfactory to note that under the existing conditions the ordinance has worked smoothly. No complaints have been made during the year as to there not being a sufficient supply of competent men to carry out such pilotage work as is required in Hongkong.

With regard to fiscal reform, to which I have on more than one occasion referred, the question seems to be in abeyance owing to the opinions held by the majority of the supporters in the House of Commons of the present Government, and to the postponement of the proposed Colonial Conference till I believe 1907. The question, however, still requires watching and it is to be hoped that when the Conference does meet the Crown Colonies will have the advantage of being directly represented by someone personally acquainted with their individual needs, and not as I understand was at one time contemplated, by the Secretary of State whose knowledge of the details of the trade of such Colony must be limited.

You will observe that the report contains certain correspondence in which the Merchant Shipping Guild figures prominently. The various questions raised by that association have all been satisfactorily dealt with and while we trust this satisfaction is also shared by the Guild, it demonstrates clearly that the Government more particularly as represented by the Harbour Master is anxious that no unreasonable restrictions shall interfere with business and that, where possible, regulations will be modified when it can be shown that they press unduly on the trade of the Colony.

No progress has been made during the past year in the direction of the suggested compulsory registration of partnerships, but the Committee are closely following the steps now being taken in this direction both in the Straits and Bengal. In view, however, of certain statements which have appeared in some of the Eastern papers, it would be as well to re-iterate that as a body the Committee while recognizing the evils which at times arise through the want of full information being on record as to the individual partners in native firms, are practically agreed that no scheme which has as yet been presented can receive our support. We believe compulsory registration to be advisable, but the disadvantages are great and we still await some practical solution of the problem.

From time to time the question arises as to certain local events being made the occasion of an official bank holiday. The matter is of quite secondary importance, but as it has been referred to lately in the local press it perhaps deserves passing reference. It is only necessary to say therefore that while certain days in the year are accepted as bank holidays the sudden interpolation of one because of some local function may, and indeed at times does, inflict hardship upon a merchant, who no holiday-making himself finds his business dislocated. That the Government fully recognizes this is shown by

their always doing us the honour of ascertaining whether the declaring of a certain day as a holiday be convenient.

You will have seen from the report now before you that considerable correspondence has passed between the Government and the Chamber in connection with the proposed subscription by this Colony to the International Sanitary Convention of Paris 1903. The main point which so far as we are situated affects us is that under this convention the period of incubation of bubonic plague has, after careful consideration and discussion by the best experts of the nationalities concerned, been reduced from 10 days to 5 days. It is freely admitted that sporadic cases of plague can break out not only after 5 days but even after 10 days, as has been frequently proved, but granted that all the safeguards provided by the new convention be adopted the risk of such outbreak is small and fully warrants the proposed reduction in the regulation with regard to the official limit to the period of incubation. Any of us who have had even a small acquaintance of the necessities of our local and interport trade will readily understand the enormous advantage which such a change, if universally adopted, would bring about in our trade, hampered as it is by these constantly enforced quarantine regulations which so seriously affect us at certain times of the year throughout the Far East. Before recommending the Government to subscribe to the Convention it was, however, considered advisable to ascertain whether the Straits Government would also subscribe to it, as unless they were prepared to do this many of the advantages which we would derive under the new Convention would be lost to us. On being approached, however, the Singapore Government was unwilling to accept the conditions of the Paris Convention and in this was supported by the local Chamber of Commerce. Further negotiations are now being conducted between the two Colonies. In view of the fact that throughout the greater part of the year quarantine is enforced against Hongkong, the result if we continue to work under the old regulation as laid down by the Venice Convention will as heretofore militate seriously against our prosperity and also act adversely on the mutual trade of the two Colonies. We believe that regulations which are found acceptable to the home government should also prove so to the more distant Crown Colonies of Great Britain, and we are not without hope that we may convince our sister Colony that by adopting the new Convention they will not be adding to the risk of the introduction of bubonic plague into their midst.

Before passing to other matters which are of deep interest to us, I would refer to one or two local questions not dealt with in the report now before you.

It is satisfactory to be able to note that what has been for many years past a skeleton in the cupboard is we trust shortly to be laid permanently at rest. I refer to the constantly recurrent shortage of our water supply. During the past few years this question has received the earnest consideration of the Government and by none more seriously pressed than His Excellency our present Governor. The supplementary addition to the Tytam reservoir is now approaching completion and will be sufficiently far advanced to store the water available during the approaching wet season. The Kowloon water scheme will also be shortly in full working order and by next winter it is hoped the inhabitants of the Peninsula will be supplied with all they require. In addition we hope that next year work will be commenced on the larger Tytam reservoir.

While all this is no doubt very satisfactory, these great undertakings have necessarily absorbed large sums of money, mostly provided it is gratifying to note out of current revenue.

The drain upon our resources has been severe and other important public works have of necessity for the time being been relegated to the background. Among others the all-important work of a new and thoroughly sufficient harbour of refuge for small craft is one of those pressing questions which has had to take second place. We understand, however, that this important undertaking may possibly appear in the next estimates, or at the furthest in those of the following year. It is however, satisfactory to know that the import-

ance of this refuge is fully recognised by the Government.

Another matter which must in time engage the attention of the Government, and indeed has I believe already received some consideration, is that of the overcrowding of the harbour. Hongkong in point of merchant tonnage entered and cleared ranks as the first port of the world. This is not only due to its geographical position but to the wise policy adopted by the Government in doing all possible by low taxation and the absence of vexatious regulations to attract shipping to this port. So long as this policy is continued so long will the port of Hongkong be able to hold its own as a centre of trade against all rivals to its supremacy in this part of the Far Eastern seas.

Prosperity, however, brings with it obligations, and with the increasing number of vessels and the general tendency for an increase in the size of these vessels the waters of the harbour are even now unduly restricted and some of the larger merchant steamers have to take up their anchorage in the outskirts of the harbour. The needs of our own fleet, and the more constant appearance of our friends, members of foreign navies, still further tend to increase the difficulty of providing suitable anchorage for all, and the time is now rapidly approaching when the whole question of the distribution of the shipping in the harbour will require careful consideration. The solution of the question will probably be found in the laying down of a system of head and stern moorings, but as the expense thus incurred would be very great the matter is one requiring careful consideration before a definite line of action be adopted.

When we last met reference was made to the terrible war then in progress in the northern territory of the Empire to which we are so closely allied by interest and trade. That war has now happily terminated in an honourable peace and the result will we trust be that the peace of the Far East is thereby ensured for all time. This hope is further encouraged by the particularly friendly relations which exist between ourselves and our friends in these waters, evidence of which we are happily witnessing at the moment.

In connection with the war, to which reference has just been made, two very important questions have arisen urgently calling for the earnest consideration of all civilised Governments. I allude to the question of the definition of contraband of war, and that of the placing of mines for warlike purposes where and in such positions they may either at the time, or after peace has been declared, prove a terrible menace to peaceful vessels. Both these questions are most complex and a satisfactory solution of them difficult, but it is earnestly to be hoped that steps may be taken to minimise the great loss to trade and possibly to life and property by the too reckless disregard during war time of the admitted rights of neutrals.

While I do not wish to unduly detain you, my remarks would hardly be complete were not reference made at this our Annual Meeting to the present condition of China with whose welfare we are so closely bound up. To be consistent, after so many years of gratuitous advice offered to our neighbours, we must all be glad to see that at last the nation appears to be awakening and while throwing off the inertia of centuries to realize that she is a nation and must take her place as such in the world. The present movement in China while undoubtedly fraught with great difficulties and possibly danger to individuals should after all receive our sympathy so far as it is directed towards an improved system of Government in which the people at large will be permitted to have a share. It is a matter for deep regret that a few hot-headed and ignorant individuals should find it in their power to stir up communities not only to acts of rebellion against their own rulers but that this agitation should further result in murderous attacks upon foreigners resident in the country, where their presence is sanctioned by treaty. One of the most brilliant patriots of last century when addressing a meeting of his nationals in Ireland stated that "the greatest political reform was not worth the shedding of a single drop of blood." All genuine reforms if honestly and courageously carried out can be gained by peaceful means.

and it is to be hoped that the sound common sense for which the Chinese are so eminently noted will in the end prevail and while encouraging the much needed reform in the system of government at the same time place a due check upon the extreme anti-foreign and revolutionary tendencies at times too apparent. It is to be regretted that this moderation is so often lacking in the higher officials of the Empire, and we have to deplore the policy of obstruction and hostility not to say of open defiance of treaty obligations so constantly displayed by the leaders of the people. This is very noticeable with regard to certain of the highest officials in the adjoining provinces, against whom a formidable indictment might be brought of illegal exactions and frequent violation of treaties. Unless these matters receive the prompt and energetic attention of His Majesty's Ministers the Chinese officials encouraged by our supineness will proceed to still further acts of aggression and will endeavour to still more hinder our lawful trading undertakings with their country.

Touching the long looked for reform of the currency of China we have reason to hope that the Central Government has at last made a move in the right direction and that the action now being taken with regard to local contracts made by the officials for copper discs required for coinage will have a salutary effect; while the proposed placing of the various mints under one organization if definitely accepted by the Central Government cannot but make for a greater uniformity of the silver coinage.

Two years ago when speaking on the subject of the Kowloon to Canton railway I ventured to suggest that at all cost this railway must be constructed and that while that section lying inside our borders should be built by our own Government, financial assistance should also be rendered to accelerate the building of the extension to Canton. We now know that the former step has been taken and that work on the line has actually been begun.

As regards the Chinese extension great difficulty has been experienced in entering on negotiations with the Viceroy of the Two Kwang. These, however, have recently been overcome, and it is hoped that the negotiations now in hand will result in the conclusion of satisfactory agreements between the Corporation, the Viceroy and the Hongkong Government, and the early commencement of construction on the Chinese section of the railway.

In the meantime the Colony of Hongkong has by a loan of £1,100,000 to the Viceroy of the Two Hu enabled him to put an end to the foreign ownership of the Canton-Hankow line under which no progress was made, and it is also hoped that the construction of this part of the railway connection between Hongkong and Peking may soon be proceeded with free from any control prejudicial to the Colony's or to British interests.

His Excellency has during his term of office here already given many indications of his wish to do all in his power to promote the well-being of this Colony, and his success in accomplishing this work will earn him the lasting gratitude of the people of Hongkong.

In conclusion, gentlemen, I must state that I am sure we all joined in a feeling of very sincere regret at receiving the news of the death of Mr. Fullerton Henderson. Mr. Henderson was not only a very old and respected resident in this Colony but for many years was an active member of this Chamber, having held the post of Secretary. All of us who have known him will feel that by his death we are the poorer, while in him most of us have lost a cheery and warm-hearted personal friend. With these remarks I would now move that the report and accounts be passed.

Mr. A. FORBES said:—Chairman and Gentlemen,—I am sure we all congratulate the Committee on the work accomplished during the past year, and thank the Chairman for his able speech on the situation. The unwillingness of the Singapore authorities to accept the terms of the Paris Convention is without doubt a matter for much regret to Hongkong shipping interests, and it is to be hoped that the further negotiations now pending will be successful. It seems rather hard treatment to make Hongkong keep to the 10 day period when 5 days has been defined by the experts as sufficient. The au-

nouncement by the Chairman that a new typhoon anchorage for small craft is to be taken in hand shortly is very welcome news, as a larger and more convenient shelter would very greatly facilitate the work in the harbour. Recent events have shown that the Government can borrow money cheaply for railway, outside the Colony, and I cannot help thinking that the Chamber should urge on the Government the advisability of taking similar means for necessary public works extraordinary such as this refuge. I feel sure that members of this Chamber endorse all the Chairman has said regarding the building of the railway to Canton. That the past year has witnessed the commencement of the work shows that the line has at last got beyond the talking stage at any rate on the portion within British Territory. It is of vital interest to this Colony that the line should be built with all speed, and so pave the way for the network of railways throughout Southern China, which will eventually be required to carry goods and passengers to and from the natural, most conveniently situated port on its borders, viz., Hongkong. The general anti-foreign tendency in China at the present moment, and the obstructive tactics of the high officials, are greatly to be deplored in the true interests of trade, which only flourishes when mutual confidence exists and treaty rights are respected. The recent flagrant case of the illegal seizure of coal in Canton by the Viceroy of the Two Kwang is fresh in our minds, and it is to be regretted that our Government had to intervene before the coal was released by the Viceroy to its rightful owners. We can only hope that the lesson will not be lost sight of by future Viceroys and their subordinates in office. I have great pleasure in seconding the adoption of the report and accounts.

Mr. ELLIS referred to the serious effect on local business owing to the debased currency, and expressed the hope that the Government would take vigorous steps to ensure the fulfilment of the treaty on the part of the Chinese Government by which they agreed to put their coinage on a sound footing.

The CHAIRMAN replied, pointing out that the Imperial Government had taken steps with regard to copper coins which they hoped would have good effect, while with regard to the subsidiary silver coins they still hoped the Chinese Government would adopt the suggestion made to it by our Government, and by several commissions. Referring to the somewhat "panicky" feeling at home with regard to outrages on foreigners in China he said that while China was a country where the unexpected very often happens, and they knew there was a good deal of unrest there, the anxiety felt at home and in America was unfounded.

The report was approved.

On the motion of the CHAIRMAN, seconded by Mr. J. R. MICHAEL, Messrs. J. B. Petit and Co. and the Netherlands Trading Co. were elected members of the Chamber of Commerce.

Mr. C. M. THOMPSON proposed, and Mr. EVAN ORMISTON seconded, the re-election of the committee, with the substitution of Mr. H. E. Tomkins for Mr. Salinger, who was leaving the Colony. This was agreed to.

There was no other business.

CONCERT AT GOVERNMENT HOUSE.

The famine in Japan has moved Lady Piggott to raise a fund locally to assist in the relief of the sufferers. Her praiseworthy efforts met with every sympathy, and when a chamber concert was suggested as a means of obtaining money in addition to voluntary subscriptions the proposal received the warmest support of His Excellency the Governor, who placed the large hall of Government House at the disposal of the promoters. Adequate arrangements were made and the ladies acting with her ladyship soon had the satisfaction of realising that the end they had in view was attained and that a goodly sum would be realised to swell the total of the local relief fund. The ladies assisting Lady Piggott were—Mrs. Villiers Hatton, Lady Berkeley, Mrs. Williams, Mrs. Gershom Stewart, Mrs. Wise, Mrs. Aitkin, Mrs. Kruger, Madame Liebert, Mrs. Noma, Mrs. Post, Mrs.

Painter, Mrs. Bolles, Mrs. Fullerton, Mrs. Jordan, Mrs. Lee Jones, Mrs. Seth, Mrs. Stedman and Miss Barker.

The concert took place on the 27th March and as was only to be expected a large audience, animated as much by philanthropic motives as a desire to hear an entertainment considerably above the average in point of merit, assembled in the spacious hall of Government House. The opening of the programme was delayed, but when the string band of H.M.S. *King Alfred* introduced a pleasing rendering of "Theodora" the company was decidedly appreciative. Mr. Stewart gave a cultured rendering of "Golden Vanity," being equally successful in his later contribution, "Sarasvati's Aria," in which he displayed the capabilities of a rich bass voice and the evidences of careful training. Mr. Denman Fuller added to his reputation by a pleasing interpretation of Godard's "Sketch" and Lock's "Allegretto," while Mrs. Badeley charmed everyone by her exquisite singing of a tuneful little song in praise of "Lavender." A quartette composed of Mr. Jokl (violin), Mr. Gonzales (viola), Mr. G. Koning (violinello) and Mr. Galliozzi (piano) essayed very successfully a selection from Mozart, their playing of the rondo being very fine. Another *persona grata* was Mrs. Fullerton, whose sweet voice was heard to advantage in "Spring," a pretty little song, and her hearers extended very cordial greetings to her. Tuen followed Mr. Stewart, who was the only artiste to appear twice individually. After him came the vocal quartette—Mrs. Fullerton, Mrs. Kruger, Mr. A. E. Paine and Mr. Frank Austin—whose selections from "The Daisy Chain" were admirably rendered; the four voices blending most effectively. Needless to say Mr. Jokl proved a great favourite. His brilliant performance of two pieces roused the audience to their feet and only demand for an encore, but this was not vouchsafed. Singing in German Mrs. Kruger gave a finished rendering of "Zauberlied," and another agreeable item in a foreign language was Madame Marty's singing of "Chanson d'Amour" and "Chanson Ancienne." Mr. Frank Austin met with considerable success in the "Kashmiri Song," and the string band's second contribution brought the programme to a close. It should be added that the Chief Justice played the accompaniments to Mr. Stewart and Mrs. Badeley, the remainder being undertaken by Mr. G. Grimble.

Sir Francis Piggott, before the audience dispersed, said that Lady Piggott wished him to thank all present for their assistance and added that since the figures had been published, \$250, another \$600 had been received, bringing the total up to \$3,300. They hoped to be able to reach the sum of \$5,000 before long.

THE NANCHANG SUICIDE.

The Nanking correspondent of the *N.C. Daily News* writes on March 15th:—The late Nanchang sub-prefect Chiang, who committed suicide at the Roman Catholic compound of that place, was a native of this prefecture, and has many relatives in this city. Here as elsewhere, eager, though possibly short-sighted, patriotism is insistent on erecting him upon a martyr's pedestal, but your correspondent has on excellent authority the following incidents in his previous record which are significant in view of recent events.

By rights, Chiang Chao-t'and is said to be only a mandarin of lower rank. His brother, however, held a sub-prefect title, but lacking the energy to get any charge, finally agreed to interchange ranks with his more ambitious brother. After his death, Chiang surreptitiously caused his name to be entered in the Family Register with his brother's rank—a capital offence by Chinese law. He succeeded in deceiving the authorities and became an expectant sub-prefect in Kiangsi. But as soon as he obtained substantive promotion to sub-prefect, those of his family who know of his fraud began to make heavy demands on him for money, until from this and other causes he became hopelessly involved in debt. It is said that full evidence is to be had of these circumstances which would seem in themselves to offer an adequate motive for suicide.

SUPREME COURT.

Tuesday, March 27th.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

A MONEY-LENDING WATCHMAN.

The case in which Manna Singh sued Attar Singh for \$10 for money lent came on for hearing. Mr. F. P. Hett (of Messrs Brutton, Hett and Goldring) appeared for defendant, while plaintiff appeared in person.

When plaintiff had been sworn, his Lordship said to the interpreter—Caution him before you start. We have had two cases on this \$10. He had better be careful that he tells the same story now as then.

Plaintiff—They are true words. I will tell the truth.

His Lordship—You had better try to do so.

By his Lordship—What are you?—A watchman.

Where?—At Watson's.

Night or day?—Night.

His Lordship—Then you ought to be dismissed. All you watchmen at Watson's lend money all round. You are always in court.

Plaintiff—I am a new man, I have only been here two months.

His Lordship—And yet you have been before me three times already. I see that the defendant is a policeman. There are too many of these cases against the police. Remember what I said. You lent him the money?—What for?

Plaintiff—He asked me for \$10. He wanted to buy rations.

Mr. Hett—This is the third case between the same parties. The first was for \$310, for money lent.

His Lordship—Yes, it turned out all wrong. I dismissed it but gave him leave to bring another action.

Mr. Hett—That was so. Then there was another action?

His Lordship—Yes. I gave judgment for \$200 and knocked off \$110. I have no sympathy for this man. Let us have your point.

Mr. Hett argued that the \$10 now claimed was included in the first case and therefore plaintiff had now no claim.

After further discussion,

Mr. Hett said the matter had been taken up by the police, and he proposed to ask his Lordship for a re-hearing of the other case.

His Lordship—Well, I won't decide this today. I will give him a chance for his \$10.

Mr. Hett—He may get judgment on the re-hearing for the whole of his \$310.

Finally the case was allowed to stand over till Friday to give Mr. Hett time in which to decide whether he would apply for a re-hearing or not.

Mr. Hett—If it is held this money is borrowed money the defendant will lose his pension.

His Lordship—He ought to lose his pension. They are not allowed to borrow or lend.

Wednesday, March 28th.

IN ORIGINAL JURISDICTION.

BEFORE SIR FRANCIS PIGGOTT (CHIEF JUSTICE).

THE PEAK TRAMWAY LITIGATION.

Judgment was delivered in the action at the instance of D. E. Brown and others against the Hongkong High Level Tramway Company and Messrs. J. D. Humphreys and Son. Mr. H. E. Pollock, K.C., appeared for the plaintiffs and Mr. E. H. Sharp, K.C., and Mr. M. W. Slade appeared for the defendants.

His Lordship said:

There are many interesting facts connected with this case, but the only material ones are the following: The Hongkong High Level Tramways Co. was registered in 1885, and after a few years' struggle for existence developed into a very flourishing concern, paying gradually increasing dividends till 20 per cent. was reached in 1903. In 1904 Mr. Findlay Smith conceived the idea of an opposition line to the Peak, and promoted a Bill for that purpose in the Legislative Council of the Colony, which went as far as the second reading.

On December 13 of that year the existing company sent in a petition asking the Council to impose certain conditions on the promoters of the new company in the event of the Bill being finally passed. The Bill was not passed that year, but it seems that negotiations went on between the parties in which the Government took part, which were continued into 1905: and in May of that year the old company abandoned opposition, and started the new idea of combination. The term "Smith's Concession" was used in argument as a convenient term to describe this state of affairs: that concession was made the subject of certain contracts, one of which was the sale of it to the China Commercial Company with a collateral contract to pay the brokers a certain sum. There was afterwards a contract of sale of the undertaking to what will hereafter be called the new company. It was in fact assumed all the way through the negotiations that the Government had so far pledged itself to sanction the creation of the new tramway that the Bill might be considered as through, and the "concession" an actual fact. This brings us to the period of combination. A circular was issued by the General Managers on May 22, 1905, to the shareholders, in which they were asked to sanction the reconstruction of the old company, the object of which was explained to be "to enable the company (i.e., the existing company) to acquire and construct a New Tramway to the Peak which otherwise would be constructed by an independent company necessarily working in direct opposition to this company." It was further stated that as the General Managers considered that this opposition would be fatal, arrangements had been made with a view to the amalgamation of the two concerns, and that the proposed reconstruction would be advantageous to the company (i.e., the existing company), and had the cordial approval of the principal shareholders. A notice was issued on the same day setting out the resolutions which it was intended to propose in order to carry out the scheme as it had been detailed in the circular. It was agreed that the circular and the notices were to be read as one document, and indeed it would not be possible to do otherwise. The combined effect of them must be as I have stated it, although it must be noticed that there is no such express statement, but there is one to the effect that the meeting was to be held in accordance with article 101 of the Articles of Association. The proposed resolutions were (1) that the company should be wound up voluntarily; and (2) that the General Managers be appointed liquidators. (3) That they should be authorised to consent to the registration of a new company with a Memorandum and Articles of Association which had been prepared with the approval of the Consulting Committee of the old company. (4) That they should further be empowered to sell to this new company the undertaking of the existing company "at the price of \$200 per share either in cash or shares of the 'Peak Tramways Company, Ltd., at the option of shareholders of the existing company," and enter into all necessary agreements to the effect. These two documents contained all the information that was given to the shareholders before the meeting. At the meeting 35 shareholders were present, and the chairman presented the case in a fuller form: and certain facts were either stated or elicited from which a clearer notion was obtained as to the particulars of the new undertaking. One was a point of great importance—that the price per share mentioned in resolution four had been fixed by the Consulting Committee according to the last price at which shares changed hands. Six votes were recorded against the first resolution: three against the second: four against the third, and four against the fourth. The resolutions were duly confirmed at a subsequent meeting held on June 20. On June 26 the plaintiff and six shareholders lodged notices of dissent in due form, and the plaintiff then brought this action "on behalf of himself and all others the shareholders in the company" in which he disputes the validity of the resolutions, claiming an injunction to prevent them being carried out: or in the alternative, a declaration following the form given in section No 1 of the Ordinance, which amounts in substance to a claim that the value of his and

the dissentient shareholders' shares be assessed by arbitration in accordance with the principle laid down in sections 201 and 202 of the Companies Ordinance 1867. At the date of the issue of the writ, October 24, the number of dissentients was reduced to five. It is also admitted that there were some shareholders who were absent, some apparently being in Macao. On November 4 the plaintiff obtained an interim injunction restraining the liquidators from carrying the resolutions into effect, and the matter was most exhaustively argued before me during five days. The contention as to the invalidity of the resolutions is based on two grounds:

First, that the consent of the Governor in Executive Council to the transfer of the old undertaking to the new company has not been obtained as required by Ordinance No. 2 of 1883, s. 45.

Secondly, that the notice of the meeting was insufficient.

The contention as to the alternative claim is that the plaintiff has been deprived by the terms of resolution four of the right to have the value of his shares assessed by arbitration as provided by sections 201 and 202 of the Companies Ordinance of the Colony (sections 161 and 162 of the English Companies Act 1862). As to the first ground of invalidity the defendant company by its Counsel undertakes not to proceed until the consent of the Governor in Executive Council has been obtained: as to the second, the defendant argues that the notice was sufficient. As to the alternative claim the defendant contends that the plaintiff has no rights under sections 201 and 202. The argument had many branches, and the following is a concise statement of it as I understand it.

(1) The company has passed a resolution for voluntary winding up and has appointed liquidators: therefore the two resolutions (1 and 2) which deal with these matters must stand even though resolution 4 be held invalid: in other words they must be treated as independent resolutions, all the rights of voluntary liquidators thereupon accruing to the liquidators appointed under them.

(2) That voluntary liquidators have, and therefore that these liquidators have, the right to sell that property and undertaking of the company and to divide the proceeds: hence also to determine the price per share at which the shareholders must part with their shares.

(3) That in this case the liquidators have in fact exercised this right or have been directed by the company to exercise it—because what is implied in resolution 4 is that there is a sale of the old concern to the new company for a price out of which \$200 per share will be paid to the old shareholders, this being the price which the liquidator or the company have determined to be the value of the shares.

(4) That this sale is the first stage of the proposed reconstruction: that it is a sale for cash, and that the condition contemplated by section 201 of a sale for shares in the new company has not been adopted, and further that it was not obligatory on the liquidators to adopt it: and therefore that section 201 does not apply.

(5) That as there is no other protection to dissentient shareholders to such schemes provided by statute, the plaintiff has no right under any other section to call in question or upset the decision of the liquidators or the company. That they have, however, in the interest of peace offered him arbitration, though not under this section.

I believe this covers the whole ground raised by the defendant company; there may be some minor points which I have omitted, but I think they will be found to be dealt with as I go through the major argument of the company. The first point to be considered is the absence of the consent of the Governor in Executive Council to the transfer of the old undertaking to the new company. Although it seemed at one time to be suggested that the necessity of this consent would be contested, it was not and could not be, for the words are too clear to admit of argument. What the defendant did contend was that the negotiations between the Government and the company had gone so far that neither the Government could withhold its consent, nor the company draw back from effecting the transfer: that the consent was indeed actually promised and virtually given: to which the reply is inevitable—that may be

so, but until the consent is actually given the requirements of the law have not been complied with and the transfer cannot be effected. In this connection it is important to remember that the Government, that is, the Governor himself, the Governor in Executive Council, and the Council of Government of which the Governor is President controlling the official members, are three distinct bodies in the system of Crown Colony government, and that there is nothing to ensure the same opinion being given by all three, nor am I at all sure that the question which each has to decide is the same in principle in all three cases. The consent of Government comes in because the Bill has not yet been read a third time. The company has offered an undertaking that they will not proceed with the transfer until the necessary consent has been obtained. An undertaking not to do something which you are not entitled to do may perhaps not amount to much, but coupled with what the company has already done I cannot disregard it. I attach considerable importance to what has been done, more especially to the fact that a petition has been presented to the Governor in Executive Council praying that the transfer may be sanctioned. I understand that all proceedings in relation to the bill and the petition are in suspense pending the conclusion of this case. The company has satisfied me that they intend to comply with the law, and therefore there is no ground for an injunction on this head. An injunction cannot be granted to prevent a person doing what he has no intention of doing. The second point as to the sufficiency of the notice is more difficult. The notice given is to my mind clearly insufficient. It is also I think misleading: but this more on the technical ground to be considered at length presently, that the circular mentions a reconstruction and the resolutions as explained by the agreement propose a sale for cash. But even supposing, as the defendant contended, that such a sale amounted to a reconstruction, it was a sale with an option to take shares in a new company, an option which is only another way of saying that the shareholder who has been paid off may invest his money in the new company, and as it appears, from the agreement of further preference being added to it to take up the remaining shares in the new company. Clearly when shareholders in a going and very profitable concern are invited to consider whether they will accept terms such as these: in other words, so to invest their money, they are entitled to full particulars of the new scheme: for this very sufficient reason, that if they do not approve of the new conditions they may be very loth to let the old company take the necessary steps to bring it into operation: and as they have to give their approval at once, they must manifestly exercise their option then and there. The only thing which is really clear from the notice is that the capital of the new company must be sufficiently large to provide, in addition to the cost of construction of the new line, \$250,000 to pay off the old shareholders at \$200 per share. Nothing is said as to what the cost of construction will be, nor even what the capital of the new company will be. They are thus asked to give up their interest in a very paying concern and invest in a new business of which they know nothing, and with no guarantee moreover that the necessary capital will be raised to float it. I ask myself the question what object there could be in not telling them? Why should they have to wait to get the confirmation till the meeting? or why should they be told that they can find out all they want to know by going to some office and looking through a long document? For the life of me I cannot answer these questions satisfactorily. This attitude of seeming to keep back information which everybody concerned had a perfect right to know is incomprehensible. It is certainly no answer to say either that the Consulting Committee think it all satisfactory, and that the principal shareholders agree, or that an inspired article has appeared in the newspapers. It may well be that the same particularity as is required by statute in a prospectus of a company is not required in the case of these notices: but the decisions of the Courts certainly show a marked tendency to require much the same class of information. The *bono fides* of the whole transactions was much

insisted on by the Counsel for the company. The Court has no difficulty in assuming it. I do not remember any suggestion having been made of *mala fides*, but only of injudicious action. In this connection there is one point which appears to have escaped attention. A great number of the cases which have been referred to are cases in which the Courts in England have had to deal with the doings of the highwaymen of finance: people who had a great deal to conceal. Why should honourable gentlemen who have nothing to conceal shape their actions on such models? The law has been hammered out in consequence of malpractices, and the irreducible minimum of information to be given in the notices has been arrived at. But why this apparent desire to give the least possible information? It is only apparent, for there was an inspired article in the newspaper and at the meeting full information was in fact given. Surely, it would have been better, if only for the sake of saving trouble, to have set out a clear statement of the whole proposal in the notice. But although in my opinion such a clear statement has not been given, nor even such information as the decisions point to as requisite, I do not think that an injunction can be granted on the ground of insufficiency of notice, without regard to the nature of the information withheld, more especially when the plaintiff has subsequently ascertained all he need know to enable him to decide what course he will adopt. In *Tiessen v. Henderson* the notice was held insufficient and an injunction granted, but not on every ground. It was granted because the interests of two directors were not disclosed. But as to the position of Mr. Henderson, Kekewich, Justice, said he thought it would have been better, and made the matter clearer, if his position had been a little dwelt on: but as I understand the judgment, that alone would not have been sufficient for the injunction to have been granted. So in this case, although I think it would have been better and made the matter clearer if other facts had been stated, I do not think the commissions are sufficiently serious to warrant an injunction being granted on this ground, certainly not at the instance of a plaintiff who did accept the notice as a summons to the meeting, who went and there obtained all the necessary information. The refusal of the injunction on this ground of course affects absent as well as dissentient shareholders: but I am not at all sure that an absent shareholder is altogether deprived of remedy supposing him to have been injuriously affected by the absence of information, apart from the remedy under section 201. It will be convenient if I here deal with the supposed principle of law that the Court will not interfere if the result will be to make the company do over again legally what they have done illegally. I doubt whether such a broad principle really exists. *Burland's* case was cited in support of it, where the rule laid down more elaborately by Mellish, Justice, in *Macdonnell v. Gardiner* (1 Ch. D. at p. 25) was adopted. The question was whether an action in respect of something which had been done illegally by the majority should be brought in the name of the company or by one shareholder on behalf of the others. But what sort of illegal act? One concerning the internal management of the company. As to this see the headnote in *Burland's* case—"It is an elementary principle of law that a Court has no jurisdiction to interfere with the internal management of the companies acting within their power." It was as to such matters that Mellish, L.J., said "there can be no use in having a litigation about it, the ultimate end which is only that a meeting has to be called, and that ultimately the majority gets its wishes." Neither the question whether the notice is itself sufficient, or any other question raised in this case, has anything to do with the internal management of the company, and to apply this doctrine, otherwise perfectly intelligible, to such a case as this involves a *non sequitur*: for it by no means follows that, if another meeting were called after this discussion, the majority would remain of the same opinion. The reference to the regard which the Court should pay to the wishes of the majority in *Fox's* case relates only to the interference with a voluntary winding up by the grant of an order for a winding up under supervision at the request of a minority. I pass now to the more serious question, the

validity of the fourth resolution. This principle was again very clearly enunciated in the *Southern Counties Bank v. Rider* (73 L. T. 374). The Court was asked to declare a special resolution to wind up invalid because the notices were issued under that authority of a resolution passed at a meeting of the directors at which a quorum was not present. Lindley, Lord J., repeating what he had said in an earlier case, said, "I think it is most important that the Court should hold fast to the rule upon which it has always acted, not to interfere for the purpose of forcing companies to conduct their business according to the strictest rules, where the irregularity can be set right at any moment." That is the doctrine upon which the Court has acted ever since the case of *Foss v. Harbottle*, reported in *Hare* p. 461. I must first dispose of the technical objection based on the decision of the C. A. in *Doughty's* case, that the new company ought to have been made parties to these proceedings. But in that case the C. A. held that they could not express any opinion as to the rights of the parties in the absence of the new company who were parties to the agreement for sale, and that the agreement could not be set aside or declared invalid without hearing them. A technical objection may be met with a technical answer. In that case the declaration asked for was that the agreement was *ultra vires* the company and void. Here the prayer was for a declaration that the resolutions passed at a certain meeting were void, no reference being made to the agreement. The result of this case may be that the agreement cannot be carried out, but I do not think that is sufficient to compel the other parties to the agreement or to any of the other agreements parties to the action. An objection, which might be called a preliminary objection, was taken as to the form of the interim injunction, which appears technical on the face of it, but which really involves a question which goes to the kernel of the whole matter, and which I shall therefore deal with at once and fully. It was said that the interim injunction was bad in form because it did not take note of the fact that whatever might be said as to the validity or invalidity of the other resolutions, the resolution to wind up stood, and that therefore the position was that the company was in liquidation, the liquidator had been restrained from acting. It was intimated that the learned counsel for the company had endeavoured in the public interest to keep the trains running and yet prevent the liquidators from infringing the terms of the injunction too much, lest they should be brought before the Court for contempt. I confess that I felt some anxiety on the subject: because it is repugnant to the Court to err, even though it be through the fault of Counsel in not drawing its attention to cases bearing on the subject. I certainly thought the injunction was right in form at the time, and on further consideration I think so still. The question seems to me to fall within the principle involved in *Teede and Bishop's* case. Stated briefly, the resolutions in that case were to the effect that the company should be reconstructed; that it should be wound up voluntarily, and a liquidator appointed, who should be authorised to consent to the registration of a new company which should take over the assets and liabilities of the old company: that there should be in fact reconstruction of the old company. Now at the meeting the only resolution which was put was for voluntary winding up and the appointment of a liquidator: the remainder of the scheme was dropped. The judgment of Cozens Hardly, Justice, was to the following effect:—"The result of the meeting was altogether different from what was proposed in the notice. The winding up which had been agreed to was not a winding up to bring into operation the provisions of section 161: in fact it was not the resolution of which notice had been given. A shareholder receiving the notice might very well say that he would not trouble to attend an ordinary reconstruction meeting, and at the same time have the strongest objection to an ordinary voluntary winding up, which is something more than a winding up for the limited purpose of a reconstruction." The learned Judge seems to be here laying down a very clear proposition: a voluntary winding up is one thing, but a winding up for

the express object of reconstruction is another. From this other important consequences follow: that if the reconstruction scheme is *ultra vires* and is set aside, the winding up which was agreed to for the sole purpose of carrying it out must be set aside too. Therefore, if a case is made out of *ultra vires* sufficient for the Court to issue an interim injunction, it must take the form of suspending the whole of the resolutions, including the one for winding up, and including also the one appointing the liquidator. Obedience to the injunction therefore requires that the liquidator should not act as such during the continuance of the injunction, but the company reverts to its normal condition, and should be worked by the general managers. But this principle is far-reaching in its consequences: it is obvious that it cuts away much of the vital part of the defendant's argument. In this case the winding up was for the purpose of reconstruction and for nothing else. It was not contended, nor could it have been, that there was any intention of winding up so prosperous a concern. The proposition destroys all that part of the defendant's case which depends on the assumption that there was here a liquidator in a voluntary liquidation, who had all the powers of a liquidator in an ordinary winding up, namely, of selling the concern out-and-out and fixing the price which the shareholders must receive for their shares. This is really the key-stone of the elaborate argument which was advanced on behalf of the plaintiff, and if it is removed the whole of it must fall to the ground. Before therefore finally adopting this proposition, I must be satisfied that it does not run counter to any of the decisions which were cited in support of the proposition given on p. 363 of Buckley, that a winding up resolution, which is itself valid, is not invalidated by the fact of there being associated with it resolutions which have not been regularly passed, or even if they were *ultra vires*. In *re Imperial Bank of China* (L.R. 1 Ch. at p. 347) Turner, L.J., said:—"If the resolutions for the voluntary winding up of this company had stood apart from the amalgamation, I should have thought that the petition ought to have been dismissed upon this point, also: but the resolutions for winding up the company voluntarily and for amalgamation are plainly parts of the same transaction, and if the resolution cannot stand as to one part of the transaction, neither, I think, can it stand as to the other part of it." This is precisely the proposition which I take to be the foundation of Teede and Bishop's case: but it has been criticised, first in Fox's case, by the Lords Justice, and again by Bacon, V.C., in *Cleve v. the Financial Corp.* (L.R. 16 Eq. at p. 378). The criticism is the same in both cases, and is reproduced in Buckley, with, however, a cautionary footnote a few lines further on "but see Teede and Bishop's case." The criticism is as follows:—"The order made by the Lords Justices enabling the shareholder to file a bill in the name of the Company was one which the Court had no jurisdiction to make except under section 138, upon the footing that there was a voluntary winding up. The order therefore did not treat the winding up as void." But this criticism by no means concludes the question, which is the following—Is there such a thing as a winding up for the purpose of reconstruction differing as to some of its consequences from an ordinary voluntary winding up? In *Cleve v. the Financial Corp.* (L.R. 16 Eq. at p. 377) there is a great deal in the Vice-Chancellor's judgment which tends to show that he thought that a reconstruction winding up was a thing which could stand by itself, for there had been a proposal for amalgamation which had been decided to be unlawful. He says in so many words that it would have been competent to forego the intention to amalgamate and yet hold to the determination to wind up. But it must be noted, in spite of the Vice-Chancellor's statement that it was unnecessary, that there were abundant reasons why that company should be wound up. But the gist of the decision is to be found in the following passage:—"The decision (i.e. dictum) of Turner, Lord Justice, 'does not in the slightest degree support the notion that because a company at a duly convened meeting, having in their contemplation two objects, one of which they could accomplish,

and the other they could not, resolve to do both, they cannot do either, because they cannot do one: this is a strange sort of reasoning. There is no ground that I know of upon which it can be said that the business of joint-stock companies should be so hampered and interfered with as that after they have come to a resolution to wind up, their deliberate and serious resolutions shall be interfered with, and the transactions of years shall be undone." If this dictum is pressed into the defendant's favour the answer is that this company never came to the deliberate and serious resolution to wind itself up in the ordinary sense, but only to wind itself up for the purpose of reconstruction. On this case it must be noticed on the one side that the winding up was in fact for the purpose of reconstruction: on the other that the part of the Vice-Chancellor's judgment which I have referred to was given for the purpose only of noticing the arguments which had been advanced, and not for the purpose of the decision, which was on another ground. And lastly that the case was cited in Teede and Bishop's case. In *Stoue v. City and County Bank* (L.R. 3 C.P.D. 282) this point is dealt with in Bramwell, Lord Justice's judgment at p. 347. It was contended that the resolution to wind up and therefore the winding up itself were nullities, because the fourth resolution was bad and avoided the other resolutions. "I think it a sufficient answer to this contention that the second resolution is good in itself: it simply states that the bank shall be wound up, and not that the bank shall be wound up upon terms of the following resolutions. The second resolution is not combined with the other resolutions, but stands upon its own footing: therefore, in my opinion, it is good, even if the fourth resolution is bad." I doubt whether Fox's case carries the question any further. As I shall point out presently the facts were entirely different from those in the present case: and Mellish, Lord Justice, in discussing whether the resolution for a voluntary winding up was good, says expressly, "the resolution is not mixed up in itself with any other resolution: it is a simple resolution to wind up": and the state of affairs of that company was such that, independently of transferring their assets to this new company, there were very strong reasons why the company should be wound up. Though I feel the force of the criticism on the order made in the Imperial Bank of China case, there is such an abundance of authority in favour of the distinction between a voluntary winding up simply and a winding up for some definite purpose—a distinction which was clearly acted on in so recent a case as that of Teede and Bishop, in which the earlier cases were cited, that I feel little hesitation in acting on it in this case, assuming that the criticism must be limited to the form of the order and not to the principle laid down by Turner, Lord Justice. I therefore come to the conclusion that the essential difference between an ordinary winding up and a winding up for a definite purpose lies in this: that in the latter case the winding up resolution does not stand by itself, but is so linked on to the purpose for which it has been agreed to that if that purpose fails the resolution to wind up must fail too. In this case the winding up was for the purpose of reconstruction, and although, as I shall state presently, there is no reconstruction in this case the winding up resolution having been expressly passed for this purpose, it cannot be treated as an independent resolution. Therefore if steps are taken to redress the rights of a dissentient shareholder, by means of an injunction, the winding up resolution must itself be affected: it must follow that the liquidator appointed for the purpose of carrying out the liquidation and reconstruction has not the powers of an ordinary liquidator, and therefore the proceedings in this case cannot be said to be taken in the exercise of a liquidator's powers—first of sale of the concern; and, secondly, of fixing the price which the shareholders must take for their shares. It may be said that this view as to the limited nature of the liquidator's duties when the winding up is for the purpose of reconstruction is not warranted by the Act. It is perfectly true that this is so, so far as express words are concerned: but the same may be said with regard to reconstruction itself. Yet it is

expressly contemplated by the first words of section 201—"Where any company is proposed to be or is in the course of being wound up altogether voluntarily, and the whole or a portion of its business or property is proposed to be transferred or sold to another company." Where these two conditions are combined then certain powers are conferred on the liquidators, but it is precisely this combination of events which constitutes reconstruction. The conclusion is inevitable that this section was passed with an express view to reconstruction, and this was pointed out by Chitty, Justice, in Cotton's case:—"Then it was seen that there were many cases in which a company might wind itself up voluntarily merely for the purpose of reconstruction, and that it would be very advantageous that there should be taken a power in substance for the company to reconstruct itself." But although reconstruction is manifestly aimed at in section 201, I do not think that this explanation of the purview of this section is in any way exhaustive. I have never come across a question in which greater care was necessary to limit judicial explanations of the statutory provisions to the actual facts of the cases in which they occur, nor in which statements in text books have to be more narrowly examined, even so standard a work as Buckley can only serve as a guide book, showing the way to the judgments where the law is expounded. There has already been an instance of this in an earlier part of this judgment. The facts in Fox's case have, as I have already intimated, only a connection in principle with those of the present case: and when they are examined it will be seen that they afford another instance of circumstances in which a company may find itself to which the provisions of section 201 are peculiarly applicable. The object which the Irrigation Company of France had in view was not reconstruction nor amalgamation, but a mere transfer of its assets to a new company owing to the difficulty which it found in carrying on its business in France. It therefore determined to transfer its business by way of sale, and one of the necessary incidents of this transfer was the winding up. The sale was not for cash but for shares in the new company, and what the Lords Justices decided was that a resolution which attempted to deprive the dissentient shareholders of their rights under section 161 was bad. Southall's case is another example of the same principle, though I agree that some of the expressions used in the judgments look at first sight as if they could be interpreted in the way Mr. Slade suggested: but it is clear that here also there was neither reconstruction nor amalgamation, but only a transfer of the business to the new company, the old company ceasing to exist by voluntary winding up. The transfer was effected by taking policies in the new company, and in order to effect this the old British Mutual Life Assurance Company caused itself to be registered under the Companies Acts and availed themselves of the power given by section 161 to distribute these new policies among the old policy holders. There was no idea of continuing the old company nor of merging it into the new company—merely an intention to stop business and transfer the assets to the new company. We have here therefore a group of cases widely differing from the present case in this that the object of the voluntary winding up was not reconstruction, but to bring an old business to an end and realize its assets in the best way possible. The way adopted was a transfer for shares or policies, and this was done under section 161. I pass to another group of cases. In Clinch's case it being found that the arrangement in question was not to be supported on the Articles, the question then considered was whether it could be supported under section 161. It was held that it could not because it was an attempt to bind the minority to take shares in another concern with unpaid calls. In *re the Imperial Bank of China* the transaction could not be supported under the Articles; the arrangement in question imposed a premium on the holders of the new shares, and it was held that it could not be supported under section 161, and was therefore invalid. In these two cases arrangements were held invalid which did not come within section 161; which after careful reading of the

judgments, I take to mean that they were held to be invalid because they did not conform to that section: not, it is true, in that particular which I have been considering, because the Court by holding the arrangements invalid destroyed the necessity for applying the arbitration clause. In another very important group of cases of which Cotton's case is typical there was a power to sell for shares in a new company contained in the Memorandum of Association. The argument which Chitty, Justice, was at a loss to understand was that this was *ultra vires*; because obviously people who come together to form a company can include what they will in their Memorandum of Association. A resolution had been passed to sell under this provision and the winding up resolution came some time afterwards. Chitty, Justice, remarked that the shares so bought became part of the assets of the old company which, he added, the liquidator might dispose of under section 161. Doughty's case follows that decision. Buckley, Justice, considering that the sale under the Memorandum of Association was independent of the winding up. One last group of cases remain to be mentioned, though the facts need not be gone into, as the principle laid down is so clear, Baring Gould's case, and Payne v. the Cork Company. Where there is a sale of an old company's assets for shares in the new company a dissentient shareholder cannot be deprived of his rights under section 161. This principle was also laid down in Fox's case. The scope and meaning of section 161 is now clear. There may be many cases in which a transfer of an old business is effected for shares in a new company, and whenever this happens in virtue of special resolutions the dissentient shareholders cannot be deprived of the protection which the law gives them. Further, if, as I think, reconstruction involves of itself the transfer for shares, these rights of the dissentients are preserved whenever there is a reconstruction. It will be convenient to consider now what reconstruction means, because while admitting that there was a reconstruction, the company says it was carried out by means, first, of a sale for cash: secondly, by a grant of an option to the old shareholders to take shares in the new company. A number of authorities were cited to show that reconstruction is not a term of art, and has no special meaning: from which argument it might be supposed that the defendant means that anything is a reconstruction so long as the people who are in control of the business choose to call it by that name. But whatever may have been said in general terms as to reconstruction, having no definite meaning, in one case Chitty, Justice, was expressly called upon to decide whether a scheme was a reconstruction or not: Hooper v. Western Counties Telephone Company (41 W. R. 84). By an agreement something was to be done in the event of a reconstruction: The plaintiff claimed that what had happened was a reconstruction, and therefore he was entitled to what the agreement provided in that event. Chitty, Justice, held that what had been done was not reconstruction but an out-and-out sale. This therefore is perfectly clear, that although perhaps many things may be included in the term "reconstruction," an out-and-out sale for cash is not one of them. I shall add this without any diffidence, that the word, as well as the cognate word "amalgamation" connote the continued existence of the old company until the instant of its merger into the new company, and therefore that any scheme which involves the ceasing of that existence before the actual transfer of the old undertaking to the new company, is neither reconstruction nor amalgamation. And as the old entity must merge bodily into the new entity, the shareholders of the old company must become *ipso facto* shareholders in the new company though obviously not necessarily holders of all the shares. It matters little that their exact holding may not have been precised, so long as the person who represents them, the liquidator, holds shares in the new company on their behalf, which he will, and is empowered by section 201 to do, subsequently divide amongst them. Then comes the proviso of the section for the protection of dissentient shareholders, which is a safeguard in the words of Chitty, Justice, against imposing

possibly a liability upon a member of the company which is being wound up by seeking to force upon him shares which were not fully paid up," to which may be added "or which he does not desire to have." There was in this case an out-and-out sale for cash: the option of taking shares in the new company really amounts to nothing at all. The old shareholder may invest his \$200 per share in the new company if he likes; and he may also invest any other money he may wish to in the new company, which is a right he possesses with other members of the public, if the new company is put upon the market, as this company was to be. His so-called priority amounts to nothing at all except in the event of there being more subscriptions than were necessary to float the new company. But, and I now come to the crux of the case, the company says it has not transferred its business to the new company for shares, and therefore that the case does not fall within the interpretation of section 201 which I have given above. The technical argument that the notice referred to the meeting as having been called under article 101 of the Articles of Association, and that therefore that of itself put the question outside the operation of section 201, may be disposed of by this observation: article 101 is the only article by which a meeting for winding up for any purpose could have been called; it is impossible that that fact should destroy the rights of dissentients, if they possess any, under section 201. Now, looking at the point in the abstract, the question arises whether a company can transfer its business to a new company for cash, winding itself up for that purpose, and the transaction not being within the express terms of the section, the dissentient shareholders, do not get the protection of the section. The argument in favour of such a transaction is this: the sale of the undertaking is a part of the winding up, and is within the power of the liquidator even without any special sanction from the shareholders: more especially, I think it was put as an *a fortiori*, is it within his power if he has such sanction: that is to say, he can act with more safety if he has such sanction. But this is an inversion of the original argument that there is here in fact a winding up pure and simple, and it has no more weight in its inverted than in its original form. Directly the essential difference between a voluntary winding up and a winding up for a special purpose is established this argument becomes a *petitio principii*. The judgment of James, Lord Justice, in Bird v. Bird's Company (L. R. 9, Ch. at p. 363) is, I think, strongly against such a transaction being valid. He says, discussing the validity of the original agreement in that case, which was to be carried into effect by means of the resolution for winding up—"Under section 161 the liquidator could not have sold the property, and that section is the only one which gives power to bind dissentient shareholders by a transfer of the Company's business. A dissentient shareholder has a right to something more than what he gets under this agreement." The case was quoted to show that there cannot be a transfer to a company not yet in existence. That of itself is an important principle, for, as I have already said there is no guarantee that the new company would have raised enough capital to start business. I cannot help thinking, however, that the Lord Justices were enunciating a much wider principle which would be entirely in favour of the plaintiff in this case. But the judgment is short and this question not fully threshed out: and as this case can be decided on a broader ground, I do not pursue the enquiry, but assume that the resolutions apart from the circular would be valid, always supposing that such a scheme had been definitely put before the shareholders, and had been adopted at the meeting. But the scheme never was so put forward. It was put forward as a reconstruction, and again as an amalgamation: and everything in the letter of 22 May was based on that hypothesis. And the resolutions were intended to carry out a reconstruction or amalgamation. I intimated that after five days' argument the terms of the 4th resolution still seemed to me very vague, and possibly to bear the meaning that a reconstruction was intended in the proper sense of the word as I have explained it. It

was not till I read the agreement that the true nature of the scheme dawned upon me. It was an out-and-out sale for cash. The reason for emphasising the nature of the sale in this way arises from the argument that in every reconstruction there must be a sale from the old company to the new: and it seemed to be suggested that as a sale is essential, if you start with a sale you may ultimately get to a reconstruction. My answer is—not in the case of an out-and-out sale for cash, but only in the case of a sale for shares. What puzzled me at first puzzles me still. Reconstruction being intended, and the statute having provided the method of carrying it out, why should that method not have been adopted? The reason is supplied by the argument: in order that the dissentient shareholders should not have the benefit of the arbitration proviso in sections 201 and 202. The question therefore comes out clearly—Is it possible that with notices and resolutions framed with a view to reconstruction, and reconstruction alone, the majority can deliberately oust the dissentient shareholders of what the law gives them for their protection? This is not a technical question as to the form of the notice, but one which involves its true meaning. Reconstruction was intended and proposed to the shareholders. Resolutions were framed with a view to carrying out reconstruction and were adopted in that sense: there was not the shadow of a suggestion that there ever was any idea of winding up so prosperous a concern except for the purpose indicated in the circular: and it must be noted that the form of the resolutions adopted was taken from Palmer's precedents, and is one of the forms given for reconstruction under section 161. The agreement carrying out the resolutions was an out-and-out sale for cash, it was incompatible with reconstruction, and the rights of dissentients under section 201 were not respected. I am therefore of opinion that the resolution by which those rights were ignored is invalid. It was said that arbitration had in fact been offered. This so-called offer was contained in a letter in which there was an extraordinary confusion between the words "contend" and "contest," so used that one did not know whether the Company "contended" or "contested" what followed. But even taking the interpretation which the defendant's Counsel put upon the letter, there was certainly no offer to arbitrate under sections 201 and 202, but only in some other way which seemed preferable to the liquidators: the request for arbitration under the Companies Act was always refused. This letter of 27th October is not very comprehensible because giving the sentence a definite meaning, that is to say, reading the doubtful word as "contest," it purports to say that the company has not "contested" the plaintiff's right to have his interest purchased in pursuance of section 201, which is virtually an admission of the plaintiff's case: for, if he has a right under section 201, he also has the right which follows in section 202. The question of arbitration under the Articles of Association does not arise. The case was argued, however, independently of that letter, or rather on the basis that the word "contend" was really meant, but that the remainder of the sentence was wrong. As to the actual prices offered for the old shares I have very little to do. But some emphasis was laid on it and evidence given to show that it was a fair price. It was in fact based on the last sale of shares. This, with all deference to the views of the majority who were willing to let their shares go at that price, seems to me an altogether arbitrary conclusion. Supposing there had been no such sale. It can only have been fortuitous. If it had not occurred some other basis of valuation would have had to be found. It is clear to me that the time for estimating the value of the shares has not yet arrived, and I feel the force of the argument which Mr. Pollock addressed to this point. Nobody knows at present what the new company, if it is floated, may do with its concession now it has got it. It is not an impossibility that things may be so satisfactorily arranged that the old shares may rise in value perhaps temporarily. It is true that I have nothing to do with the price to be ultimately paid: but sufficient has been said to show me the immense importance of the safeguard which the

legislature has thought fit to introduce in section 201 for the protection of those who do not agree with the policy of reconstruction or amalgamation. For all these reasons I am of opinion that the plaintiff is entitled to judgment on his alternative claim: but the question what form it should take is not free from difficulty. I have found the 4th resolution invalid because it ignores the rights of the dissentient members, though I do not think it *ultra vires* on that account. The form of the order must therefore restore to the plaintiff and the others for whom he is suing the rights of which they have been deprived. But here this difficulty arises. He is entitled to a declaration in the terms prayed down to the words "either to abstain from carrying the said resolution into effect": but if the remainder of the relief were given as it is prayed, I should be fitting this agreement which is based on the 4th resolution on to section 201. But, as we have seen, it does not fit at all, because the liquidator has not been authorised to sell for shares in the new company. An injunction therefore becomes inevitable: and it will be granted in terms preventing the liquidator from putting into effect the resolutions but to continue in force only until and if the shareholders shall have had submitted to them a resolution in lieu of the 4th resolution, which shall authorise a sale by the liquidators for shares in the new company and which shall recognise the rights of the dissentient shareholders under sections 201 and 202, and such resolution shall have been carried by the requisite majority.

Thursday, March 29th.

IN ORIGINAL JURISDICTION.

BEFORE SIR FRANCIS PIGGOTT (CHIEF JUSTICE).

A SURETY'S LIABILITY.

Lam Sin Shang sued O Yik Tong for \$3,150, the claim being under an indenture dated 2nd September, 1903, made between defendant on the one part and the plaintiff on the other whereby the defendant covenanted and agreed to pay plaintiff a sum of \$150 per month so long as plaintiff should remain one of the sureties of one Ho Lee Cho, which suretyship existed from 26th March, 1903, to 12th December, 1904. Mr. M. W. Slade, instructed by Mr. C. F. H. Beavis (of Messrs Wilkinson and Griet), appeared for plaintiff and Mr. E. Sharp, K. C., instructed by Mr. C. F. Dixon (from the office of Mr. John Hastings) appeared for defendant.

Mr. Slade, in opening, said that the circumstances under which the obligations arose were that in March, 1903, a corporation called the Chinese American Commercial Company, a company registered under American laws, commenced business in this Colony and engaged Ho Lee Cho as compradore under a verbal agreement. He seemed to have approached the defendant to find security for him, and the defendant undoubtedly approached plaintiff who had considerable landed property here and asked him if he would mortgage part of his property as security for Ho Lee Cho. After a certain amount of negotiation plaintiff agreed to do so and in July handed over the titles relating to this property, and defendant, it was believed, handed them over to the corporation who held them by way of mortgage. Ultimately an agreement between Ho Lee Cho and the corporation was made on August 31st, 1905. That agreement set forth that the compradore was to provide a security of \$100,000 for the due performance of his duties. Proceeding he pointed out that the liability of the sureties commenced as from the March 26th, 1903. Defendant verbally agreed to indemnify the plaintiff \$150 per month in return for pledging his property in this way. That was reduced into writing and executed on September 2nd.

Evidence was called at length.

Major Kelsall, secretary of the China United Rifle Service Association, has forwarded us a list of the succession of scores in the competition for the rifle and carbine championships. In the former there were 102 entries and in the latter 47, while out of 15 entries 14 men shot in the Nursery Competition.

FRENCH AND JAPANESE NAVAL VISITORS AT HONGKONG.

A meeting of some of the leading residents was convened on March 22nd by Sir Paul Chater, in his office, to decide what the unofficial section of the community could and might do to make the visit of the Japanese and French fleets as pleasant as possible.

The following Provisional Committee was formed: Hon. Sir Paul Chater, Hon. Mr. C. W. Dickson, Hon. Mr. R. Shewan, Hon. Mr. Gershom Stewart, Mr. J. R. M. Smith, Mr. D. R. Law, Mr. A. Babington, Mr. A. G. Wood, Mr. A. H. Rennie, Mr. T. P. Cochrane, Mr. D. Nissim, Mr. Levy, Mr. G. H. Medhurst, Mr. H. N. M. dy, Mr. E. A. Hewitt and Mr. T. E. Hough. Sir Paul Chater was elected Chairman, Mr. J. R. M. Smith, Hon. Treasurer, and Mr. Gershom Stewart, Hon. Secretary.

The landing of the Japanese Admiral and suite on March 23rd was attended with the usual ceremonial. A guard of honour supplied by the Royal West Kent Regiment held the approach to Blake Pier, while a large crowd assembled to watch the proceedings. Shortly after eleven o'clock the launch conveying the distinguished party reached the pier and Admiral Shimimura landed and walked to the end of the covered portion, where he and his suite stood at the salute as the band of the Royal West Kents played the Japanese national air. They then entered chairs, and accompanied by Mr. Noma, the Japanese Consul, proceeded to Government House and afterwards made other calls.

Official visits and other exchange of courtesies has been the order of the day with the officers and men of the French fleet, and one of the pleasantest aspects of the present visit was to find the "At Home" on board the *Fuerst Bismarck* on the 22nd March an international assembly. On the 28th March the Governor gave a dinner party at Government House.

On Mar. 23 the British bluejackets entertained the *matelots* of La Belle France to dinner in the City Hall. Some 400 men sat at the tables in St. Andrew's Hall and the music room, the complement including a number of French officers. The pillars at the entrance and the stairway were relieved with flags, while on the wall of the first landing the words *Vive La France* surmounted the word 'welcome,' the English and French flags drooping on either side where two armour-clad Orientals stood with spear in hand. 'Vive l'entente cordiale,' 'Une bien venue cordiale' and 'A l'escadre Française' were other sentences which stood out in bold letters on the staircase. The dining rooms also wore a gay appearance, conspicuous among the flags being the names of the vessels in the French flotilla, while the placards on which were printed 'Navarino 1827' and 'Inkermann 1854' must have been pleasing to the French sailors, reminding them of a time when their forbears were the comrades-in-arms of the English as they were now the guests.

The 'boys in blue' lined up on each side of the entrance as their guests arrived, and as they entered the hall the band of the Royal West Kents struck up the *Marseillaise*. Then the work of seating began, a British bluejacket being seated between two French sailors, and in this position the 'handy man,' although perhaps he could not speak French, was able to see that his guests wanted for nothing. Commander Collin presided at the table at the head of St. Andrew's Hall, the French officers present being seated with him. After dinner he proposed the health of the King, which being duly honoured was followed by three ringing cheers. Again glasses were charged, the next toast being 'The President of the French Republic.' This also was well received, prolonged cheering following. Commander Collin then mounted a chair and delivered the following address (in French):—

My boys,—It is my agreeable duty to say a few words on the friendly reunion of this evening. It is a new manifestation, after many others, of this mutual good feeling so really felt by the two nations and so favourable to the maintenance of international peace. I think that each one of us should give an account of the serious and durable character of that feeling. Though we are so far from our native

countries, we here reaffirm the same kindly sentiments as expressed by our brethren in London and in Paris. As for me, I hope that these sentiments will never cease, and I ask you to drink to the friendship, cordial and lasting, of the two navies as of the two nations.

The toast having been honoured, a French Officer on behalf of his countrymen thanked their entertainers for the reception accorded them and concluded by asking all present to rise and drink to the health of friends at home in England and France. Again hands were raised shoulder high, and the 'cup o' kindness' quaffed to absent friends, the old song of "They are jolly good fellows" being followed by cheer on cheer.

An adjournment was then made to the theatre, where an impromptu smoking concert was held. The items which made up the programme were given with that breezy swing which characterises 'sons of the sea,' and were a fitting termination to a most enjoyable evening.

The committee whose efforts made the evening such a success were Capt-in Muller, Commander Collin, Lieutenant Smith and Dr. Sawdy, and they are to be the more congratulated on the result considering that all arrangements in connection with the dinner had to be completed within twenty-four hours. The band of the Royal West Kents are also deserving of their meed of praise for the excellent programme of music rendered during the evening.

Not the least interesting of the many functions which have taken place at Government House was the "At Home" on the 23rd March when His Excellency was "at home" to the more distinguished of our naval visitors and the residents in the Colony. Although the weather lacked that brilliance which is so essential to the enjoyment of *al fresco* events, the conditions were by no means disagreeable, and the many ladies and gentlemen who paid their respects to the Governor found the time pass very pleasantly. The French and Japanese naval officers, attended in uniform, as did also a number of British naval and military officers; in fact, all the services were represented, and as a result the scene in the grounds was one of great animation. His Excellency received his guests on the lawn, greeting each one with his characteristic cordiality. The General Officer Commanding (Major Villiers Hatton), Vice-Admiral Moore, Rear Admiral Richard, and Rear Admiral Shimimura were present, the leading citizens being introduced to the foreign officers. The band of the Royal West Kents discoursed a very enjoyable programme of music.

Another indication of the good feeling existing between Britain and Japan was the reception accorded a number of Japanese sailors by their *confreres* of the British Navy in St. Andrew's Hall, City Hall, on March 24th. The decorations were the same as on the previous evening, the only alteration being in the placards, a number of which bore Japanese characters, while of those printed in English, the one facing the staircase contained the words 'Banzai Nippon' and two at the head of the dining room bore the names of Togo and Shimamura.

The Japanese, on arrival at the hall, were welcomed with that warmth of feeling which is customary for Jack Tar to extend to his friends and the hosts left nothing undone that could have been done to enhance the pleasure of their guests. As before, a British sailor was seated between two Japanese, and attended to their wants. Captain Muller, R.M.L.I., presided over the gathering, and had seated with him at the table at the head of the hall a Japanese Lieutenant and Naval Instructor Tuck.

After dinner the health of the King was drunk, the Japanese, assisted by the British sailors, singing the first verse of the National Anthem, which was followed by a salvo of cheering. Then the toast of the Emperor of Japan was honoured, the Japanese National Anthem was sung, and the cheering burst forth afresh. When it subsided the visitors sang in chorus one of their stirring war songs, a song which probably many a sailor of Japan was singing when he fell in battle. Silence being restored, Naval Instructor Tuck addressed the guests of the evening (in Japanese, as follows:—It is with great pleasure that I

rise to welcome the fleet of the Japanese, our brave allies. I spent only one year in Japan and so am very unskilful, but you will please excuse any shortcoming. We, the British Navy, admire and respect you. The way in which you—all of you—obeyed the Emperor's message is one more tie that has won our reverence, and to welcome you, the first arrivals of your great navy, is a great pleasure. I raise my hand to drink to your healths, and I call upon our British sailors to drink with me with all their hearts.

The toast was duly honoured, the bluejackets singing lustily "They are jolly good fellows."

The Japanese lieutenant in returning thanks said his countrymen would never forget the cordial reception accorded them at Hongkong, a reception which would strengthen the friendship existing between the two nations (great applause).

Owing to the Japanese having orders to be aboard early, the smoking concert which was to follow had to be put off. After a few choruses they lined up before the hall, and headed by the band of the 129th Baluchis, which provided the music during the evening, and accompanied by the "boys in blue," they marched to Blake Pier, where a last farewell was taken.

A very pleasant evening was spent on board H.M.S. *King Alfred* on Mar. 23rd, when the officers of that ship entertained the officers of the Japan Training Squadron to dinner.

The toasts of the King and the Emperor of Japan having been honoured, Commander Cousett, in proposing the toast of the guests, said—Gentlemen,—In rising to propose the toast of "Our Guests" I hope you will allow me to say a few words on this, to us, eventful occasion. Very few officers here present have had the honour and pleasure of meeting before any of our brother officers in the Japanese Navy, but we have all read and followed with the keenest interest the accounts of their glorious deeds, which are second to none in the world's history. It was not without emotion that we watched the Japanese Squadron entering this harbour for the first time since the war. It is part of a fleet which has just proved itself magnificent in its efficiency and valour under all conditions. Gentlemen, it is always a pleasure to meet one's friends, but when our friends are heroes as well as our allies, the occasion is indeed to us memorable. We drink to the health of our honoured guests and the glorious Japanese Navy.

The Japanese visitors were entertained by compatriots resident in the Colony to a garden party on the 25th March held at Sir Paul Chater's bungalow at Kowloon, which that gentleman had kindly placed at their disposal. Unfortunately the showery nature of the weather robbed the event of much of its picturesque effect, but that, however, did not interfere with the pleasure of the guests. On the lawn behind, sports were held and provided not a little amusement, while the creature comforts of all were admirably attended to. Stalls ranged round the ground contained refreshments, which were dispensed by Japanese ladies, with male assistants, while music was supplied by the Baluchis Band. Admiral Shimamura and Officers were present, and the prizes won by the competitors were presented by Mrs. Noma. The grounds were decorated with bunting.

Afterwards the Japanese ladies were invited to tea on the flagship.

The Polo Ground at Causeway Bay wore a picturesque appearance on Mar. 24th, when a gymkhana was given by the officers of the Navy and Army in honour of the visit of the French and Japanese fleets. The pavilion, which was reserved for Admiral Shimamura, Admiral Richards and their suites, was ablaze with flags. There was a large attendance on the ground, the French and Japanese officers being well represented and participating in the events. Numerous tables, at which the ladies could partake of tea and light refreshments, dotted the lawn, while there were booths at which the gentlemen could get something stronger. H. E. the Governor arrived on the ground after the second race, and H. E. Major General Villiers Hatton was also present. A special tram, prettily draped with flags, which included the Union Jack, the flag of the Rising Sun and the Tricolor, had been engaged to convey the visitors to the

Polo Ground, but owing to some misunderstanding it was not made use of. Many of the officers walked to the field of sport, while others travelled in the ordinary trams.

The first item on the programme was the Off Saddling race. In this the competitors started in the saddle with the saddle properly girthed with two single girths, and had to ride past the post with saddle in hand and girths attached. Two riders lost their mount; one pony with the saddle dangling beneath it took fright, and charging in amongst the spectators, caused considerable consternation. The race was won by Mr. Henniker Heaton, Mr. Cruickshank being second. The blindfold driving race caused no end of fun. The conditions were that the lady should drive her partner, who was blindfolded. He was required to pick up (one at a time) five potatoes and take each in separately and place it in a box by the starting line. A number of the Japanese and French visitors were competitors. There was much groping for the inside of the tub and feeling for lost potatoes, while one runner got up such a pace that he went head first into his tub. The race was won by Lieutenant Wilkison, who was driven by Mrs. Chichester. Mr. Cruickshank, driven by Miss Hancock, being second. Sixteen knights entered for the tilting at the ring competition. As they galloped past a lady she threw a ring in the air, and they endeavoured to impale it. Captain Kitson, whose rings were thrown by Mrs. Ward, was the winner, Mr. R. F. C. Master losing on the last run by getting a hit instead of a carry. His rings were thrown by Miss A. Berkeley. The leap-frog competition proved very amusing. It was won by Messrs. Parker and Stoppin. In the ricscha race each competitor had to draw his ricscha to a lady and hand her a sum which she was required to add up, then get into her ricscha and be driven back to the winning post. Mrs. Bailey was the most expert at figures, and taking her seat in the ricscha was pulled past the winning post first by Mr. Anderson. In this race Mrs. Hogarth, wife of the Victualling Store Officer of the Navalyard, was injured by a ricscha colliding with her. Medical aid was summoned, and it was ascertained that her injuries were not serious. In the bucket and apple race the competitors had to ride to buckets half filled with water in which was an apple, and while holding their pony secure the apple in their mouth without the aid of their hands. Mr. Dupree was the winner. The drawing and chicken races and the tent pegging also proved interesting items. The band of the R. W. Kents played selections of music during the afternoon, and at the conclusion of the sports Mrs. Villiers Hatton presented the prizes.

Mar. 26th being the last day of the short stay of the Japanese Training Squadron, the programme arranged for their entertainment was larger than ordinarily. The local committee invited petty officers and men from both the Japanese and British Navies to tiffin in the City Hall, where a most acceptable repast was laid on the tables. Over the good cheer the friendly feeling between the tars of the East and the West was accentuated, and though the language difficulty was a barrier to free intercourse, the men nevertheless soon understood each other and all seemed to enjoy themselves and their company. On the stairway leading up to the hall stood the picturesque figures of two Japanese warriors of olden time, while between them were the words "Welcome" and "Banzai Nippon." In St. Andrew's Hall, where the men dined, flags were hung, and round the walls were the names of Oyama, Kodama, Togo, and other heroes, as well as the names of the ships composing the Training Squadron. In the retiring room, occupied by the petty officers, was a similar scheme of decoration.

Sub-Lieutenant Spotteswood, of H.M.S. *Kent*, and the Rev. J. H. France, assisted in the arrangements, while Flag Commander Vivian, was in charge of the British section, Lieut. Bokuro Nagano being in command of the Japanese. Among those exercising supervision were Sir Paul Chater, the Hon. Gershom Stewart, Messrs. T. Hough, A. G. Wood, T. P. Cochrane, and J. R. Michael. The pleasure of the meeting was enhanced by the selections played by the band of H.M.S. *King Alfred*.

At two o'clock H. E. the Governor arrived. Accompanied by the Hon. Mr. Gershom Stewart he walked round each table, and having made a tour of the room addressed the gathering. He said—Sailors,—I hope that the Japanese sailors have enjoyed themselves as well in Hongkong as our men did when they were in Japan. It was a great pleasure to all of us in Hongkong to hear what good friends our sailors made with the Japanese when they were in their country. I hope that that friendship will be increased by the visit of the Japanese here. I know that our King was very anxious that the sailors, that the people of the two countries, should be good friends (cheers). We none of us want war, but in case war should arise it is well that the sailors of the two countries should know each other in order that they may rely on each other should the occasion arise (applause).

Mr. Noma afterwards interpreted the speech to the Japanese, who were enthusiastic in their applause.

The Governor then raising his glass said—I now drink to the health of the glorious Japanese fleet and of our guests.

The Japanese returned the compliment, and H. E. having addressed the petty officers in similar terms, the gathering dispersed after the singing of the National Anthem, the visitors proceeding to Kowloon on invitation to view the Baluchi sports.

Undoubtedly one of the pleasantest events in a visit which must have many agreeable recollections for both visitors and guests was the "at home" on board H.I.J.M.S. *Itsukushima* on March 26th, when on the invitation of Rear-Admiral H. Shimamura and the captains and officers of the Imperial Japanese Training Squadron, the leading residents of the Colony and members of the Japanese community attended at the flagship and were the recipients of that hospitality which is such a distinguishing characteristic of the sons of the island empire. Launches conveyed the visitors to the *Itsukushima*, where they were received by the Admiral and his officers, who played the parts of hosts to perfection. They escorted their guests over the ship, pointing out the many interesting sights, such as the broken shell and shot and other trophies from the historic siege of Port Arthur, the beautiful artificial flowers made by the men on board, and other curios. It was interesting to learn that the big gun of 32 centimetres was the largest in the Japanese Navy. In the ward room tea in Japanese style was dispensed, but afterwards the quarter deck was the scene of attraction. Here the typical Japanese exercises were in full swing. Jujitsu fascinated the majority, the lithe movements and marvellous skill of the competitors evoking the plaudits of the onlookers, while the fencing proved decidedly interesting. The most amusing, however, was the performance where the four competitors had a game with their single sticks at whacking each other's heads. It reminded one of the Irish fights where the maxim was when you see a head hit it. When this had concluded the guests were entertained to further refreshment, and while British and Japanese fraternised and toasted each other the representatives of the other nationalities seemed equally happy, sharing as they did in the good fellowship which was the feature of the gathering.

Guards of honour received H. E. the Governor, Admiral Moore, Admiral Richard and the other distinguished gentlemen. Certainly the time passed on the ship was very happy, and enabled all, visitors and hosts, to be seen to the greatest advantage.

Rear Admiral Shimamura with 31 of his officers and eleven leading Japanese residents were, with a number of British officers, entertained to dinner on Mar. 26 by the Hongkong Club, and needless to say a very enjoyable evening was spent, complimentary speeches and toasts being given.

It is stated that a court-martial will be held at Toulon into the circumstances surrounding the loss of the *Sully* in the Bay of Alorg. The court will consist of one vice-admiral and two captains. The questions they have to answer are—Is Commander Guiberteau responsible for the stranding of the *Sully*; and is he responsible for her loss? Twenty witnesses will be heard by the Court.

FRENCH CONVENT PRIZE DISTRIBUTION.

HIS EXCELLENCY'S PET SUBJECT.

H.E. the Governor presided at the annual prize distribution of the Isle de la Ste Enfance held in the convent on March 29th. The Rt. Rev. Bishop Pozzoni was seated on his right and Admiral Richards, of the French navy, on his left. Amongst others present were—Mr. R. A. B. Ponsonby, private secretary to His Excellency, Mr. G. Liebert, Rev. Bro. Sylvester, director of St. Joseph's College, and a number of French officers and priests.

After an overture, Miss E. Rendle made the following address.—Your Excellency, your Lordship, Ladies and gentlemen.—The return of prize-giving day is to us, the scholars of the French Convent, a very happy event and one we look forward to with great pleasure and much interest, for it crowns our past work with success and stimulates us to friendly rivalry in the future. We are deeply honoured by the presence of your Excellency here to-day. In sparing a portion of your very valuable time to take an interest in our school it shows that you are deeply interested in the welfare of the children of the Colony, and are pleased with the progress they make in their education. It is then with much gratitude I am trying to fulfil the honour allotted me by the Rev. Mother of expressing her heartfelt thanks to your Excellency for your kind attendance to-day, and for the leading part you are taking. I have also to express the Rev. Mother's sincere thanks to your Lordship for your first appearance at our prize distribution, and to you, ladies and gentlemen, for the honour you have conferred on the Rev. Mother, the teachers and the scholars. We have prepared a little entertainment to show our appreciation of your kind interest in the school, and if you will remain to witness it we shall be delighted. In conclusion, I trust I have conveyed to you the deep gratitude of our Rev. Mother, the sisters and my fellow scholars for your kind interest and presence, and our united prayer is that the bounteous gifts of our Almighty Father, which are extended to the good and kind hearted, will be yours, and that He will bless all of you and yours and guide and direct you in the future.

His Excellency was then presented with the address, and a lengthy musical programme such as is rarely heard by those who attend prize distributions was proceeded with. Most of the songs were rendered in French, while the music of French composers was naturally strongly in evidence. The skill with which the performers accomplished their allotted tasks speaks volumes for the excellent tuition of the sisters.

After the report of the Inspector of Schools on the convent had been read, the prizes were distributed, a noticeable feature in the distribution being the adorning of the more successful pupils with a laurel crown.

The children who received prizes were:—Vera Davies, Jack Paterson, Edward Pereira, Frank Dixon, Nellie Knight, Mabel Musso, Kartoon Ramjahn, Frida Davies, Zaitoon Ramjahn, George White, Louis Lecœur, Kathleen Hardwick, May Badcock, Dorothy Hardwick, Elfrida Dixon, Amina Madar, Ada O'Brien, Fook Chi, Noel White, Dorothy Murray, Florence Kehler, Mabel Cotton, May Leonard, Lizzie Leonard, Tsui Mei Ngo, Maria Theresa Julyan, Julia Loysaga, Jubeda Arab, Louise Chapman, Andrée Lecœur, Dermot Dixon, Flora Knight, Maudy White, Winnie White, Halima Madar, Kathleen Coyle, Grace Philpotts, Jessie Marchant, Marguerite Paques, Grace Murray, Leontine Ellis, Grace Ellis, Carmen Loysaga, Pepita Kahler, Kathleen O'Sullivan, Florence Murray, Alice Tayler, Elsie Rendle, Maggie Hoskins, Connie Jorge, Louis Lecœur, Tsui Mei Ngo, Flora Knight, Louise Chapman, Kathleen Coyle, Grace Ellis, Leontine Ellis, Julia Loysaga, Carmen Loysaga, Esme Woodcock, Gwendoline Woodcock, Renée Galluzzi, Marie Roxario, Hilda Cabral Aida Alves, and Winnie McNeill.

After the presentation His Excellency said,—Rev. Mother,—I think you knew when you asked me to give the prizes here to-day that I should accept your invitation very readily, for

you know what pleasure it gives me to come to the quiet and peace within these walls where one forgets for a few minutes the rush of business and pleasure outside. I think the children are very fortunate who get their training here under such good influences, and with such a bright example as they have before them in the sisterhood's lives. After all, if the world is improving it must be by conscientiousness, and this conscientiousness, which is working for others rather than for oneself is what is taught here. The children must remember, however, that if they want to help others when they grow up in the same way as they have been helped themselves, they must not grow up ignorant, but work hard at their lessons, remembering "En travaillant pour soi on travaille aussi pour les autres." The old saying that power comes from knowledge applies just as much to the power to do good as to the power devoted to more worldly purposes. I don't propose, ladies and gentlemen, to refer in detail to the work of the school here, but I should like to say that I hope at the next examination in hygiene the French Convent will take a higher place than it has done this year. The most pressing need of our Colony is that it should be more healthy: that we should be spared these visitations of plague and smallpox such as we now suffer from, and that the men and women of the Colony should be strong to resist disease. We must all work for that end, and the part of the French Convent is to teach the children here the laws of health. There is another subject which it is peculiarly fitting should be well taught in the French Convent—that is the French language. The more people know of each other and understand each other, the better they will love each other, and the easier it is for them to converse together the better they will learn to understand each other. Of course besides that important advantage of learning the French language here, there is another less important but still real, and that is that it is the most beautiful language spoken in the world. Ladies and gentlemen, the school is honoured to-day first of all by the presence for the first time of His Lordship the Bishop, and then by the presence of the Admiral commanding the French fleet in the Far East. I am sure we, and the Mother Superior and the sisters and children all feel greatly honoured by His Excellency's presence amongst us, and I shall mark my own sense of his kindness in visiting this British institution at Hongkong by presenting my special prize on this occasion to the child who has done best in her French studies—Miss Jessie Marchant (applause).

After the playing of the National Anthem His Excellency inspected the Convent, and before leaving prevailed on the Reverend Mother to grant the scholars a holiday until Monday.

CANTON.

[FROM OUR CORRESPONDENT.]

March 24th.

DEARER RICE.

The price of rice is increasing here. During the first moon, rice could be bought at one dollar for 20 catties (1st class), or for 27 catties (2nd class). Now, with the same amount the people can only get 18 catties (1st class) or 25 catties (2nd class). The increase is due to the report that in Shanghai, Mo-u and Chan Kiang a discussion is on to forbid the exportation of rice. It is also due to the fact that Kwangsi merchants are buying rice from the rice shops in Sha-Kee Tai Kai, and are offering good prices.

IMPUDENT SMUGGLERS.

The Customs have a revenue boat cruising in the vicinity of Nam Shik Toa. It is there for the special purpose of preventing smuggling. Recently this boat received a threatening letter from some rascals who demanded a considerable sum and 40 per cent. of the yearly revenue of the boat. The letter says that if the request is not complied with the boat will be burnt.

MILL'S TOO MUCH CIVILIZATION.

The Viceroy has issued an order to the effect that all officials shall commence to wear summer hats from the 25th inst.

RAILWAY MATTERS.

On the 21st inst. the Chamber of Commerce received another dispatch from the Viceroy urging the merchants to take over the Canton-

Hankow Railway and requesting them to report without delay stating how they will pay the railway loan. The Viceroy says that the first instalment of interest on the railway loan will fall due on the 6th April. After deducting the income of the Fat-shan Railway, there still remains a sum of £4,178 short which must be raised. He (the Viceroy) having heard that the merchants have collected more than \$1,600,000 and believing that they will find no difficulty in raising the \$20,000,000 necessary, and having confidence in the undertaking, asks the merchants to appoint several wealthy members of the gentry to take charge of affairs and to submit their names to him so that he may memorialize the Throne and transfer the control of the line to them, as His Excellency is very anxious to see this done as quickly as possible.

March 26th.

VICEROY ACCUSED OF FAVOURITISM.

Viceroy Shum has posted the following notice outside his Yamen:—"The Wei-yuen deputy in charge of the native Customs at Chan-chuen, named To Ying-fook, has embezzled the Customs revenue of that station, and absconded a few days ago. The director of the Customs here petitioned to me about this matter. I immediately memorialized the Central Government requesting them to cashier To Ying-fook, and I have caused a warrant to be issued for his arrest."

The *Sze Man Po* severely criticises the Viceroy's conduct, saying that To Ying-fook was an old and intimate friend of Viceroy Shum, being formerly employed as his private secretary. The position of deputy at Chan-chuen was given to To as a favour. The Viceroy has paid Tls. 3,000 out of his own pocket, and has arranged to pay the balance of Tls. 4,000 by taking it out of the bonus funds which belong to all the employees of the native Customs. Viceroy Shum did not arrest To's family and keep them under vigilant surveillance. The journal compares this case with that of Chan Tung-shang, saying that the crime is exactly the same. Chau also embezzled Customs revenue, but was severely dealt with, whereas Viceroy Shum has acted with suspicious leniency in To's case.

HIS PLEA IN MITIGATION.

When Viceroy Shum read the above remarks in the *Sze Man Po*, he ordered the following notice to be hung outside his Yamen:—

In investigating To Ying-fook's case I find that he was formerly employed as my private secretary but left that position about two years ago. In enquiring into his official career I may state that he has not committed any faults before and therefore I gave him the position of deputy of the native Customs in Chan-chuen. I never expected that while being in charge of an important position in which he is entrusted with funds that money would blind his eyes and make him forget his position and act in such a naughty way. As To was a man appointed by me, I regret that I have made a mistake, and the money embezzled being Government money I have ordered part of the money to be refunded out of my own pocket. I am very grieved to have committed such an error through appointing such a man. But the *Sze Man Po* compares this case with that of Chau Tung-shang, stating that it is a similar crime and that To's family should be arrested and placed under vigilant surveillance. The crime is the same as that of Chau, but that I have dealt with it in a much milder manner.

A "RED HERRING" INTRODUCED.

I must say that comparison was unjust. In Chan's case, over Tls. 2,000,000 were embezzled while To embezzled only Tls. 7,000. In Chan's case all the properties confiscated did not cover even half the amount, while in To's case every cent has been replaced and a warrant has been issued for his arrest. If Chan had paid up all the money he had embezzled I would not have arrested his family or had them placed under surveillance. In comparing Chan's case to that of To one will find a great difference between them. The *Sze Man Po* has not investigated the matter thoroughly, and starts by criticising and slandering me. In reviewing former issues of that and other papers, I find that they have all said that Chau Tung-shang was in fault and deserved the punishment meted out to him. Your remarks

in the present case seem to support Chau Tung-shang and appear to ventilate his grievance which I am at a loss to understand. The object of the press is to enlighten the people's mind and to ventilate public grievances on behalf of the general public.

A HOMILY AND THREATS.

If all the papers simply point out what is right and what is wrong and speak of the truth and nothing but the truth, then will they be of valuable assistance to the public and to the authorities. If I were to do anything illegal you would have perfect right to announce it to the public. If I did anything wrong or committed an error and the truth be published I shall only be too glad to know my own faults and shall then be able to alter my decision. But if the local press follow the example of the *Sze Man Po* without investigating first thoroughly, and criticise blindly and tell all sorts of lies so as to deceive the public mind, nothing can be more harmful. I have to-day authorized the Nam-Hoi magistrate to command the Editor of the *Sze Man Po* to appear before him and to have him most severely reprimanded and to give him due notice that in future if his press should repeat such acts I will seize the press and punish the editor and will not pardon him.

March 28th.

OFFICIAL CHANGES.

As Taotai Wong-Ping-yau has resigned his position in the Sin How Kuk as Director, Chu Wing-cho and Heung Man-Wing (Taotais) have been appointed to manage the affairs of that department.

A QUEER BANKING CASE.

Chin Chin-kwong, owner of the Tai-Tak Hang Bank, was fined \$200 and sentenced to be sent back to his native province (Shansi) for threatening to kill scholar of fifteen years of age named Fung Kai-kwong, who owed him the sum of \$52. The local school-masters and scholars are very excited because they think the punishment is too light for the offence and that partiality has been shown. They have decided to hold a meeting to-day to discuss the matter in order to send a petition to the Viceroy and to telegraph to the Board of Education. The students threaten to go on strike if the case is not tried again and more severe punishment be given to the offender.

CHINESE "MAFIA."

The police have issued a proclamation forbidding beggars to demand alms from any important events such as marriages, birthdays or funerals. If the beggars fail to obey this regulation they will be severely punished. It remains to be seen how this measure is to be enforced. It is not generally known that the beggars form a very powerful guild and that a shopkeeper would think twice before incurring the guild's displeasure. This new order if enforced would deprive them of one of their principal sources of revenue. When there is a ceremony of some kind going on they immediately gather in the neighbourhood and will not move on until the squeeze is paid over. Passers-by must have noticed that a beggar seldom stays more than a couple of minutes at each shop. The shopkeeper is anxious to get rid of him and throws his cash into the beggar's collection basket at once. It is related that a shopkeeper on one occasion had to close his shop because he had been rude to one of the begging fraternity, and for the next few days his shop entrance was lined with a treble row of beggars who took good care that no customer went in.

A contract for a loan of Y10,000,000, borrowed by the Korean Government from the Japan Credit Mobilier, Limited, has been signed at Seoul between the Korean Minister for Finance and a representative of the Japanese bank. The contract has been endorsed by Mr. Megata, Financial Adviser, and the Customs revenue of Korea is pledged as security. The interest agreed upon is 6½ per cent., and the actual amount to be paid Y9½ for Y100 face value, the principal to be redeemed in ten years after the lapse of five years. The bank will advance Y5,000,000 this month and the balance later as required. The money will be used for developing industries in Korea.

COMPANIES.

THE CHINA BORNEO CO., LTD.

The third ordinary yearly meeting of the China Borneo Company, Limited, was held at the office of the Company Messrs. Gibb, Livingston and Co., at noon on the 24th March. Mr. A. G. Wood presided, other shareholders present being—Sir Paul Chater and Mr. E. Osborne (consulting committee), Mr. J. Wheeling (general manager) and Messrs. J. W. C. Bonnar, T. Arnold, G. Murray Bain, W. Parlance, W. H. Wickham, O. Baptista, L. A. Ozorio and Leung Shiu-lun.

The notice convening the meeting having been read,

The CHAIRMAN said—Gentlemen,—The report and accounts having been in your hands for some time with your permission we will take them as read. I am sorry that the result of the company's operations during the past year have been so unsatisfactory that we are compelled to pass the payment of a dividend. The falling off is entirely in sympathy with the depression which has been felt here and is accounted for not only by the decreased demand for our production but also by the decline in values as compared with previous years. Our output of timber was about the same as for 1904, but our sales were much smaller, while our stocks have increased in value, as you will no doubt have noticed, by about \$60,000. Every economy has been exercised in the working of the business, and I think there is perhaps cause for thankfulness that a worse result is not shown. Prospects for the present year are not very encouraging, but we hope for some fresh business and we trust that some such may come in order that we may present more prosperous accounts to you next year. Before moving the adoption of the report and accounts I shall be glad to answer any questions.

Mr. ARNOLD—Before seconding the motion adopting the report and accounts, there is one question I should like to ask. I see there is an overdraft at the bank of over \$55,000. That would seem to indicate a lack of sufficient working capital. About a year ago these shares were at a premium of from 25 to 30 per cent. I would like you to show why advantage was not taken of the opportunity to issue 14,000 new shares, which could easily have been done, certainly at par if not at a premium.

The CHAIRMAN—We did not think it was necessary at the time. If we could have seen the dullness coming on we might have made some arrangements accordingly.

Mr. ARNOLD—If you had done so we might not only have had sufficient money to work with, but also a small reserve fund.

The CHAIRMAN—If we could have foreseen this we would have done so; however, we are in hopes that during the present year things will be better.

Mr. ARNOLD—The position now is that you couldn't issue shares at \$7, whereas before you might have issued them at \$14.

Mr. PARLANE—Mr. Chairman, in your remarks I did not catch any reason given why the year has been such a disastrous one.

The CHAIRMAN—Simply the depression which was felt generally, and there has been a falling off of business.

Mr. PARLANE—But you said the sales for the year were the same as for 1904.

The CHAIRMAN—I said our output was the same, but that sales were much smaller.

Mr. PARLANE—I think, on the face of such a disastrous report, that the directors might have done with something less than \$4,000 fees. I think it is a most disastrous report.

The CHAIRMAN—I am very sorry it is not better, but you cannot make trade where trade does not exist.

There being no further questions, Mr. ARNOLD seconded the motion for the adoption of the report and accounts as presented, and it was carried.

Mr. PARLANE moved that Sir Paul Chater be re-elected to the consulting committee.

Mr. BONNAR seconded. Carried.

Mr. W. H. Potts was re-elected auditor, on the motion of Mr. WICKHAM, seconded by Mr. OZORIO.

The CHAIRMAN—That is all the business, gentlemen. I hope next year we will have better returns.

GREEN ISLAND CEMENT CO., LTD.

An extraordinary general meeting of shareholders in this Company was held at the offices of the Company, Messrs. Shewan, Tomes and Co., on the 24th March for the purpose of confirming the special resolution passed at a meeting held on March 7th. Hon. Mr. R. Shewan presided, and there were also present—Mr. R. Henderson (secretary), Sir Paul Chater, Captain Tillett, Messrs. E. Kadoorie, G. Murray Bain, A. Babington, and R. Hancock.

The Secretary read the notice convening the meeting, and

The CHAIRMAN said—Gentlemen,—I move that the following resolution be confirmed:—

"That the Capital of the Company be increased to \$2,000,000 by the creation and issue of 50,000 New Shares of \$10 each fully paid up, to be offered at par and if accepted to be allotted to the persons constituting the Shareholders of the Company according to the Company's register of Shareholders on the first day of July, 1906, in the proportion of one New Share for every three Old Shares in the Company held by the respective Shareholders thereof, the amount payable on each of such New Shares to be paid on the 31st day of July, 1906, and that failing such allotment as aforesaid, the said New Shares be disposed of by the General Managers in accordance with the Company's Articles of Association."

Sir PAUL CHATER seconded, and the motion was carried.

The CHAIRMAN—That concludes the business, gentlemen. I am much obliged for your attendance.

WATKINS, LIMITED.

The seventh ordinary annual meeting of shareholders in this Company was held on March 29th at Watkins' Building, 31, Queen's Road Central. Mr. G. A. Watkins presided, others present being—Messrs. C. E. Warren, Chow Dart-tong, Chow Hon-wah, C. A. de Rosa, and Chau A-fook.

The notice calling the meeting having been read by the general manager,

The CHAIRMAN said—Gentlemen,—As usual we will, if you have no objection, take the report and accounts issued as read. We have a very lean year to chronicle. Business throughout 1900 was bad and with nothing special in our favour. I am sorry the result of the company's trading during the past year has been so unsatisfactory that we are compelled to pass the payment of any dividend. The falling off is entirely in sympathy with the general depression which has been felt during the period under review. Every possible economy has been effected in the working of the business; and the general managers will continue to give this matter their careful attention. Prospects for the present year are not encouraging, but we hope business will improve later on. From the statements of account you will see that substantial amounts have been written off the Company's assets, this has been done on the recommendation of Messrs. Lowe and Bingham, who have made a thorough and searching examination of the Company's books and assets, with which Mr. W. Hutton Potts concurs. We trust these appropriations meet with your approval. I would point out to you that we have paid off during the year 1905 about \$20,000 to our bankers and \$7,530,000 off building mortgage, our sterling liabilities are nearly \$10,000 less than the previous year. You will have seen from the local press we have lost through death the services of our senior assistant, Mr. Alexander Scott Mason. Your general managers avail themselves of this opportunity in expressing their deep sympathy with his parents in Perth, Scotland, in this sad bereavement. Before proposing the adoption of the accounts I shall be pleased to give any further information shareholders may ask for.

No question being asked.

The CHAIRMAN proposed the adoption of the report and accounts.

Mr. CHOW HON-WAH seconded. Carried.

The CHAIRMAN—That is all the business, gentlemen. Thank you for your attendance.

The report reads:—Gentlemen,—We beg to submit to you our report and statement of the

accounts of the Company for the year ended the 31st December, 1905.

PROFIT AND LOSS ACCOUNT.

The result for the year on the trading show a profit of \$8,408.77, which, added to the balance of the amount brought forward from 1904, \$7,241.17; the sum previously at credit of equalization of dividend fund, \$4,802.57; and the surplus of sub-rents received over Crown rent and taxes paid, \$527, makes a total of \$20,979.51.

This year general managers find necessary to allocate to meet interest on mortgage and loans, \$4,131.91; depreciation, \$6,386.72; bad and doubtful debts, \$7,789.86; and the balance, \$1,670.02, as a reserve against unforeseen losses on debts carried forward as good.

AUDITORS.

The accounts have been audited by Messrs. Lowe & Bingham and Mr. W. H. Potts.

CHAN A FOOK.

G. A. W. TINS.

General Managers.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1905.

To mortgage interest: 12 instalments at \$140 for 1905	\$1,680.00
To interest on loans and overdraft	2,452.91
Depreciation:—	
Shop fittings and furniture at 15 per cent	\$2,346.72
Building depreciation reserve transfer	\$4,040.00
	6,386.72
To bad debts written off	7,789.86
To reserve for doubtful debts	2,670.02

	\$20,979.51
By gross profit on trading	\$8,408.77
By balance brought forward 31st December, 1904	\$12,601.82
Less adjustments in 1905, relating to previous years' accounts	5,963.65
	7,241.17

By transfer of equalization of dividend fund	4,802.57
By rents receivable	\$3,230.00
Less rents and Taxes paid	2,703.00
	527.00
	\$20,979.54

BALANCE SHEET AT 31ST DECEMBER, 1905.

LIABILITIES.

Capital:—	
10,000 shares of \$10 each, fully paid	\$ 00,000.00
Creditors:—	
Loan (secured by mortgage on building)	11,000.00
Loans payable	3,700.00
Trade creditors:—	
Acceptances	11,025.12
Open accounts	3,081.15
Unclaimed dividends	505.60
Russo-Chinese Bank overdraft	2,443.11
Sundries	6,220.55
	37,925.93
Building depreciation reserve account as at 31st December, 1904	8,960.00
Add transfer from profit and loss account 1905	4,040.00
	13,000.00
Reserve for doubtful debts	2,670.02
	\$153,595.95

ASSETS.

Building:—	\$
(Crown lease expiring 31st December, 1906, continuing at monthly tenancy)	
Contract, 1903	\$24,000.00
Alterations and improvements 1905	1,793.61
Alterations in dispute (not paid)	1,115.63
(See reserve per contra)	26,909.24
Furniture and fittings:—	
Cost to 31st Dec., 1904	\$19,800.11
Less written off for depreciation to 31/12/04	4,155.19

As per balance sheet 31st December, 1904	\$15,644.92
Less depreciation at 15 per cent.	2,346.72
	\$13,298.20

Additions 1905 ... 117.20 13,415.40

Aerated Water Plant:—

As per balance sheet 31st December, 1904	5,000.00
Additions, 1905	106.90
	5,106.90

Stock on hand:—

At general managers' valuation ... 63,761.65

Branch balances:—

Stock, furniture, lease, etc., Canton	\$5,552.81
Stock, furniture, lease, etc., Shanghai	1,964.00
	7,516.81

Debtors:—

Trade	\$29,870.22
Sundries	4,879.50

Memo:—(Claim \$4,387.75 against building contractor not included) 34,749.72

Unexpired fire insurance and licences 1,036.67

Cash:—

In hand	\$1,054.46
With H.K. and Shanghai Banking Corporation	45.10
	1,099.56

\$ 53,595.95

THE CHINA LIGHT AND POWER COMPANY, LIMITED.

The report for presentation to the shareholders at the fifth ordinary general meeting to be held at the office of the general managers, on Saturday, 7th April, at 11.45 a.m., reads:—

Annexed we have the pleasure to lay before shareholders a statement of accounts for the year ending 28th February, 1906.

The gross profit amounts to \$68,081.09, and the net profit, including the amount brought forward from last year, and allowing for depreciation and payment of interest and other charges, amounts to \$31,219.89, which it is proposed to appropriate as follows, viz:—

To pay a dividend of 6 per cent. \$30,000.00

To carry forward to next year's account 1,219.89

These figures show an improvement on those of last year, but the result would have been much better had it not been for the high price of coal and the adverse effect of the boycott at Canton, which for some considerable time during the year was mistakenly applied to this company.

CONSULTING COMMITTEE.

In accordance with the articles of association Sir Paul Chater, C.M.G., Dr. J. W. Noble, and H. P. White, Esq., retire, but offer themselves for re-election.

AUDITORS.

The accounts have been audited by Messrs. W. H. Potts, and A. O'D. Gourdin, who are recommended for re-election.

SHEWAN TOMES & CO.

General Managers.

STATEMENT OF ACCOUNTS FOR THE YEAR ENDING 28TH FEBRUARY, 1906.

PROFIT AND LOSS ACCOUNT.

Auditors' fees	\$ 200.00
Consulting Committee's fee	1,500.00
Exchange	2,265.87
Interest	22,218.80
General charges	3,281.18
Amount written off as depreciation for 1906	7,395.35
Balance	31,219.89

\$68,081.09

Balance from last year \$26,896.12

Less underwriting commission and brokerage on

20,000 new shares 20,000.00

\$ 6,896.12

Balance of Canton working account 5,280.40

Balance of Kowloon working account 10,904.57

\$68,081.09

BALANCE SHEET.

Liabilities.

Capital 50,000 shares at \$10 each	\$500,000.00
Sundry creditors	143,256.75
Company's bankers	80,161.27
Balance of profit and loss account	31,219.89

Assets.

Kowloon	\$754,637.91
Land	\$ 33,735.18
Buildings and machinery	\$141,733.31
Since expended	722.14

142,455.45

Less depreciation ... 2,455.45 140,000.00

Furniture ... 287.00

Since expended ... 98.50 385.50

Lines ... 38,195.14

Since expended ... 10,435.37 48,630.51

Materials, stores, fuel, &c., in stock valued at ... 37,163.33

Buildings and machinery 214,547.47

Since expended ... 70,392.43

284,939.90

Less depreciation ... 4,939.90 280,000.00

Furniture ... 402.68

Lines ... 73,123.14

Since expended ... 24,646.13 97,774.27

Materials, stores, fuel, &c., in stock valued at ... 55,851.75

Proportion of premia on current fire policies ... 480.40

Sundry debtors ... 52,652.19

Cash in hand ... 7,562.10

\$754,637.91

CAMPBELL, MOORE AND CO., LTD.

The twentieth ordinary meeting of shareholders in Campbell, Moore and Company, Limited, was held on March 31st at the Company's office, 12 Queen's Road, Mr. J. W. Osborne presided, and there were present:—

Messrs. I. P. Madar, A. O'D. Gourdin, G. Murray Bain, W. E. Clarke, V. P. Musso di Peralta, O. U. Arculli, M. A. A. de Souza (secretary), and Miss Bishop.

The Secretary having read the notice convening the meeting.

The CHAIRMAN said—Lady and gentlemen, I think we will follow the old custom and take the report and accounts as read. The report has stated nearly everything that can possibly be said. Our business like others has felt the depression during the year and you will find that the rent for our premises has been increased by 60 per cent. The directors, however, feel pleased that they are able to recommend the usual dividend of 30 per cent. Business so far this year has been such as to lead us to hope that we shall be able to do as well as in other years. I shall be glad to answer any questions before moving the adoption of the report and accounts.

There being no questions, the CHAIRMAN moved, and Mr. MURRAY BAIN seconded, the adoption of the report, which was agreed to.

CAPTAIN CLARKE moved, and Mr. MADAR seconded, the re-election of Mr. A. O'D. Gourdin as auditor. This was declared carried.

The CHAIRMAN:—That concludes the business before the meeting, gentlemen. Thank you for your attendance. Dividend warrants will be ready on Monday.

The report states:—

Gentlemen,—The directors have the pleasure to lay before you the accounts for the twelve months ending 31st December, 1905, showing a credit balance of \$6,573.17, which, with your approval, your directors propose to deal with as follows:—

To pay a dividend of 30 per cent. ... \$3,600.00

To pay directors' fees ... 600.00

To write off fixture and furniture accounts ... 276.10

To place to reserve fund account ... 1,000.00

To carry forward to next year's account ... 1,097.07

\$6,573.17

The business continues steady and there is every probability that a similar result may be looked forward to.

The accounts have been audited by Mr. A. O. D. Gourdin, who offers himself for re-election.

J. W. OSBORNE,
Chairman.

BALANCE SHEET.

ASSETS.

To stock—value of stock on hand ...	\$ 15,501.52
To accounts receivable—due from customers ...	4,745.68
To cash—amount on hand ...	3,767.47
To fixed deposit—with Chartered Bank of I. A. and China ...	5,500.00
To fixtures and furniture ...	576.10
To Insurance account—unexpired premium paid in advance ...	14.67
	\$30,105.44

LIABILITIES.

By capital—1,200 shares paid up at \$10 each ...	\$ 12,000.00
By accounts payable—due to Sundry Creditors ...	1,199.00
By Chartered Bank—in current account ...	2,272.97
By reserve fund ...	8,000.00
By unclaimed dividends and bonus ...	60.30
By balance at credit of profit & loss ...	6,573.17
	\$30,105.44

WORKING ACCOUNT.

To charges ...	\$ 2,685.60
To wages ...	10,564.32
To reserve fund—As passed at meeting 31st Dec., 1905 ...	2,500.00
To dividend—30 per cent., passed at meeting 31st Dec., 1905 ...	3,600.00
To directors' fees ...	600.00
To fixtures and furniture ...	289.15
To auditor's fee ...	300.00
To rent ...	4,736.00
To insurance ...	50.50
To stationery ...	214.92
To interest ...	57.32
To doubtful debts ...	860.12
To balance ...	6,473.17
	\$33,041.11

By balance brought forward from last account ...	\$ 8,171.74
By interest ...	83.80
By amount written off, since collected ...	3.50
By sales and shop returns ...	\$32,017.96
Less cost of stock ...	7,236.44
	24,781.52
By transfer fees ...	75
	\$33,041.11

To balance 31st December, ...	\$ 8,000.00
	\$8,000.00

By balance 31st December, 1904 ...	\$5,500.00
By added as per resolution passed 31st March, 1905 ...	2,500.00
	\$3,000.00

LUZON SUGAR REFINING CO., LTD.

The 24th annual general meeting of the above company was held at the office of the general agents, Messrs. Jardine, Matheson & Co., on March 31st. The Hon. C. W. Dickson presided, and there were also present—Messrs. H. P. White, A. G. Wood, E. J. Moses, W. H. Gaskell, A. Rumjahn, J. R. Michael, J. C. Peter, P. Tester, J. M. Graca, Capt. Tillett, and J. Bowden (secretary).

The Secretary having read the notice convening the meeting.

The CHAIRMAN said—Gentlemen,—I regret that owing to the late arrival of accounts from Manila the report for last year was not in your hands earlier, but you will probably concur nevertheless in its being taken as read. Under the Company's Articles of Association it is necessary to hold the annual general meeting by the 31st March, or more time would have been allowed since its issue. After being stopped for several years, work at the refinery was resumed at the beginning of April under circumstances which were mentioned at the last annual meeting, but it was not long before

difficulty was experienced in marketing production, the universal decline in sugar leading to importations with which the company had to compete at low prices. Eventually, however, accumulated stock was disposed of though not profitably, and the result for the year is an addition to the amount at debit of profit and loss of \$26,692.47, this including \$17,983 expended in putting the refinery in order prior to its re-starting. Such a result is disappointing, as it was hoped to at least cover expenses. With the lower prices now current for raw, there is room for expectation that this, if nothing more, may yet be attained; at all events we have decided to try further. The general agents have again waived their commission, and the members of the consulting committee their fees. With these remarks, gentlemen, I beg to propose that the report and accounts be adopted.

Mr. GASKELL seconded, and the motion was carried.

On the motion of Mr. PETER, seconded by Mr. MICHAEL, Messrs. A. G. Wood and H. P. White were re-elected to the Consulting Committee.

Mr. Thomas Arnold was re-elected auditor on the motion of CAPTAIN TILLET, seconded by Mr. MOSES.

The CHAIRMAN—That concludes the business. I am obliged to you for your attendance, gentlemen.

The report reads:—

The general agents beg to submit their report on the Company's business for the year 1905, with a statement of accounts to 31st December last.

In accordance with what passed at the annual general meeting held 23rd March, 1905, work was commenced at Malabon at the beginning of April.

The decline in the value of sugar all over the world adversely affected the prices obtainable for refined in Manila, and the loss on working, including \$17,933.000 expenses incurred in re-starting the refinery, amounts to \$26,692.47, increasing the sum at debit of profit and loss account to \$132,588.10.

CONSULTING COMMITTEE.

This consists of Messrs. A. G. Wood and H. P. White, who offer themselves for re-election.

AUDITOR.

The accounts have been audited by Mr. Thomas Arnold, who offers himself for re-election.

JARDINE, MATHESON & Co.,
General Agents.

CAPITAL ACCOUNT.

Capital account ...	\$700,000.00
Jardine, Matheson & Co.'s current account ...	185,180.32
Sundry creditors ...	4,839.93
	\$890,020.25

Assets.

Property account ...	\$629,642.43
Hongkong and Shanghai Bank ...	35,031.83
Cash in hand ...	309.85
Sundry Debtors ...	28,061.59
Refined sugar, &c. ...	35,673.04
Coal, charcoal, stores, &c. ...	28,713.41
	\$757,432.15

Profit and loss account ...	132,588.10
	\$890,020.25

PROFIT AND LOSS ACCOUNT.

To balance from last year ...	\$ 85,987.63
To loss on working ...	26,692.47
To interest ...	12,028.94
To depreciation of stores ...	814.24
To loss in exchange ...	7,014.82
To auditor's fee ...	50.00
	\$132,588.10

By balance ...	\$132,588.10
	\$132,588.10

YOKOHAMA SPECIE BANK, LIMITED.

The 52nd report to the shareholders of this Bank reads as follows:—

The gross profits of the Bank for the past half-year, including Yen 609,720.708 brought

forward from last accounts, amount to Yen 10,532,084.048, of which Yen 7,213,968.710 have been deducted for current expenses, interests, etc., leaving a balance of Yen 3,318,115.338.

The directors now propose that Yen 360,000.000 be added to the reserve fund, raising it to Yen 10,360,000.00, Yen 1,000,000.000 be appropriated as special reserve fund, newly created, and Yen 200,000.000 be placed to the silver funds. From the remainder the directors recommend a dividend at the rate of twelve per cent. per annum, which will absorb Yen 720,000.000 on old shares and Yen 360,000.000 on new shares, making a total of Yen 1,080,000.000.

The balance, Yen 678,115.338, will be carried forward to the credit of next account.

NAGATANE SOMA, Chairman.

SHANGHAI ICE, COLD STORAGE, AND REFRIGERATION CO., LTD.

The report of the directors for the year ended 30th November, 1905, for presentation at the forthcoming seventh ordinary meeting of shareholders, includes the following statements:—

The balance at the credit of Profit and Loss Account, after providing for Tls. 13,501.32 Depreciation, is Tls. 21,991.16, and from this amount there are Directors' and Auditor's fees to be deducted, leaving a balance of Tls. 21,141.16, out of which it is proposed to pay a dividend of 8 per cent., absorbing Tls. 16,000 and to carry forward the balance of Tls. 5,141.16.

The balance at the credit of Working Account is Tls. 30,574.22, which is again an increase on that of the previous year.

The receipts from Cold Storage show a decided improvement on last year's earnings and the Directors were fully justified in the additional accommodation made last year.

Still further additions are in course of progress and the Directors trust that these will be available for the coming summer.

CHINA IMPORT AND EXPORT LUMBER CO., LD.

The fourth annual meeting of shareholders in the China Import and Export Lumber Co., Ltd., was held at Shanghai on March 21st, when the usual resolutions were all carried unanimously. The ten per cent. dividend we have already announced. We make the following extracts from the chairman's address:—

The report when compared with the three previous reports that have been issued since the formation of the Company, shows at a glance a rapid and prosperous development of our business. In 1902/3 the balance of profit amounted to Tls. 22,417.63, in 1903/4 to Tls. 26,439.90, in 1904/5 to Tls. 32,894.21, and for 1905/6 to Tls. 44,237.77. These increased profits mean a very much larger business done upon a but slightly increased capital; for during the past year we have issued only 720 shares at par, raising the paid up capital from Tls. 278,000 to Tls. 350,000. It will be observed from the Balance Sheet that sundry debtors stand about Tls. 100,000 higher than last year, whilst also the debit-balance at the Deutsch Asiatische Bank is Tls. 186,000 larger than then. The stock of lumber also shows a much larger investment. I am pleased to be able to inform you that the Bank has hitherto granted all the facilities we have required, but in view of the probable continued growth of our business your Directors deem it desirable to issue before long the 1,500 remaining shares, timely notice whereof will be given. In the meantime payment for recent sales, amounting to about Tls. 109,000, will be coming in shortly and will go to reduce the overdraft. A further instalment has been paid on our lumber yard property of Tls. 6,000, making the total payments on this account, shown in the Balance Sheet, Tls. 21,019.84. The new buildings erected in our lumber yard at Shanghai during the past year consisting of offices with accommodation for our sawmill engineer and family, and with commodious attics, also extensive sheds to cover planks, so as to promote proper seasoning, and the buildings covering the sawmill, have been put up at a cost of Tls. 24,539.55; this amount also includes the digging out of a large pond, the filling-in of the property, the construction of a reservoir to supply water to the sawmill boilers, etc., etc.

The new sawmill was put up during the year, Tls. 29,252.02 being the cost of new machinery purchased, consisting of a 220 h.p. marine engine, boiler, shafting, a large planing machine and sundry smaller machines. A further outlay will be incurred during the coming year of about Tls. 10,000 for new machines to make and to enable us to handle orders promptly. I am glad to say that, thanks to the energetic measures adopted by the General Managers and the staff, the loss sustained by the Company through the flood of September last proved less serious than might have been anticipated. So far as we are able to form an opinion, the prospects for the coming year are quite favourable. The stocks of lumber on hand, as well as some further supplies contracted for, should yield very fair profit.

The report said:—

The Profit and Loss Account, including the balance of Tls. 3,469.95 carried forward from last year, shows a credit balance of Tls. 44,237.77, which amount the directors recommend to appropriate as follows:—

Allow for Agents' participation in profits of	Tls. 44,203.77
Less balance carried forward from last year of	3,469.95
	Tls. 40,733.82

at 10 per cent. Tls 4,073.38

Pay a Dividend of:—

10% on 2,780 shares fully paid up on 1st March, 1905. Tls. 27,800.00	
10% in form of interest, on issue of 720 shares in 1905, from date of payment of instalments until 28th Feb. 1906	4,378.15

absorbing 32,178.15

And carry forward to New Account the balance of

7,952.24

Tls. 44,203.77

THE CHINA FLOUR MILL CO., LTD.

At the eleventh annual meeting of this company held at Shanghai on March 16th, the Chairman said:—The report and accounts have been in your hands for some time and no doubt you will agree to take them as read. You will see from the accounts that we have an amount of Tls. 93,797.83 to the credit of Profit and Loss account for the year's working, or equal to a little over 31 per cent. upon capital, a result which I think you must all agree is very satisfactory. This amount we propose to appropriate is shown in the report, and if you approve of same the result will be:

A dividend for the year ending the 31st of December of 20 per cent. 61,000	Tls.
To Reserve Fund, making this fund up to Tls. 50,000	20,000
Write off from machinery	4,000
Pay the agents for their participation in net profits	8,907.97
Carry forward to new account	889.86

YANGTZE WHARF AND GODOWN COMPANY, LIMITED.

The report of the Directors for the year ended December 31st, 1905, to be submitted to the forthcoming annual meeting, states:—

Out of the balance at credit of Profit and Loss, viz.: Taels 75,998.63, it is proposed to pay a Dividend of 18 per cent., absorbing Taels 45,000; to write off the whole of Preliminary Charges, viz.: Taels 12,830.23, and to place to credit of Reserve Account the sum of Taels 12,500, thus increasing the Reserve to Taels 30,000, carrying forward Taels 5,668.41 to next year.

As usual, the Mitsui Bussan Kaisha heads the list of coal exports from Japan. Out of a total of 6,382,923 tons in 1905, that company shipped 3,017,069 tons.

A NEW SHANGHAI COMPANY.

The possibilities of using the by-products of cotton seed and bean, in the making of oil, a commodity the demand for which in China is out of all proportion to the supply, offers prospects to a company which purposes to combine the businesses of manufacturers of and dealers in oil with that of manufacturers and dealers in cotton seed cake, bean cake, producing all kinds of feeding stuff grains, and acting as warehousemen and storekeepers in all those several branches. Such a company is the Shanghai Oil Company, Ltd., an abridged prospectus of which has appeared, says the *N.C. Daily News*. The capital of the proposed company is to be Tls. 175,000 in 7,000 shares of Tls. 25 each. Three thousand shares have been applied for in advance and the remaining 4,000 are offered to subscription. Mr. E. de Bavier is chairman of a strong board of Chinese directors, which has secured the services as managing director of Mr. Moritz Koppel, an expert who has arrived in Shanghai, and from whom particulars as to the prospects of the company can be obtained.

THE CHINA MARKET.

GERMANS COMPETE SUCCESSFULLY WITH JAPANESE.

A Japanese contemporary observes that Japanese manufactures, inferior in quality, are able to compete with European and American goods. This advantage is due to the cheapness of labour in production. Lately, however, German goods are underselling Japanese in China, and the reason is assigned by our contemporary to the fact that Japanese manufactures, being made in small factories, the cost of production is correspondingly higher.

The amount paid in Tokyo for instance, for glycerine for soap-making is Y6 0 0 per annum, but if the existing small factories were incorporated, with the consequent purchase of glycerine in large bulk, the sum of Y200,000 would be sufficient to supply the requirement. The responsibility for this assertion—whereby a saving of 66 per cent. is effected—rests with our contemporary.

Japanese merchants are generally indifferent to the freightage charged when shipping goods to China, continues the journal. They pay the freight demanded by shipowners, and this fact in many cases makes the price of Japanese goods in the Chinese market higher than German goods.

SHIPPING CASE AT SHANGHAI.

We make the following extracts from the judgment delivered on March 22nd in the case of the China Merchants' Steam Navigation Company, Owners of the str. *Yushun*, v. the Owners of the str. *Appalachee*.

This is another case of collision at that extremely dangerous part of the river Huangpu, namely, the inner Woosung Bar. The ships in collision on this occasion are the *Yushun*, which belongs to the China Merchants' Company and is under the Chinese flag, and the *Appalachee*, which is a British ship. The *Yushun* is one of the ordinary vessels which navigate these parts—these narrow waters, territorial waters—and she is of a draft usual with vessels of that kind—of between 12 and 13 feet. She is a comparatively small ship. The *Appalachee* is a large ship drawing 21ft. of water; at the time of the collision she was heavily laden, and she was inward bound on the flood. The *Yushun* was coming out against the flood, but at the time she was above the lower Bar marks there was practically no current, and there was in fact an eddy or an ebb setting downwards up to a distance of about 300 feet from the northern bank of the river. The speed of the ships was substantially the same. The *Appalachee* was coming in at between eight and nine knots with a two-knot flood under her, making it between ten and eleven knots over the ground, whereas the *Yushun* was coming out and her captain gave it that she was going at ten knots over the ground. The *Appalachee* was coming in in charge of a pilot, and the *Yushun* was going out without a pilot. There is no compulsory pilotage on the river Huangpu, but from the evidence in this case and the

experience which the master of the *Yushun* had, I feel little doubt that he was quite as able to navigate his ship up and down this river as any pilot. Now these vessels sighted one another, as the pilot on board the *Appalachee* said, when he was a little above Woosung creek and the other vessel was just above the high Bar mark. The *Appalachee* came on, and in consequence of an error in judgment, of the *Yikeang* being in his way, possibly to a certain extent both, he passed to the south of the line of Bar marks. In consequence of his being to the south he would have to bring his head considerably to port to get on to the line. It must be borne in mind that he had a pilot on board who knew the state of the currents. This pilot saw the *Yushun* coming out well over to the north side of the river, and at a place where he knew that the tide would probably be ebbing, and where the *Yushun*, in consequence of the state of the tide and narrowness of the channel, could not anchor. He knew that as he came in and brought his head to port he would have on his port quarter, especially after his nose had got into the slack water, a two-knot current which would tend to turn him right across the channel. Now the *Yushun* was already on the Bar. He could see her and he knew the condition of the tide. I asked the nautical assessor his opinion under these circumstances and he advises me that under these circumstances it was an imprudent course for him to take to try to cross the Bar. Although the pilot knew this when he found the vessel's head still swinging to port, when he began to port, in order to straighten his course, and continuing to swing to port, although under a hard aport helm, which she was by this time, the pilot of the *Appalachee* when he elected to come in got his head to the lower end of Gough Island, and when he got there he put his helm over because he knew there was a tendency to carry his nose across the river. When the vessel was parallel with the line of Bar marks his helm was hard aport and yet the ship continued to swing over. Although he found this and the head was still swinging to port, he did not realise that the vessel was out of control until she had continued to swing considerably further, and he did not give the order "full speed astern" until the collision was imminent. He only gave the order "full speed astern" in order to minimise the effect of the collision. I am advised that he ought to have gone astern under the circumstances, at least when he was parallel to the line of Bar marks. Had he done so and given three short blasts the *Yushun* would have been able to pass ahead of him. Further the pilot is to blame in not having realised sooner than he did that the *Appalachee* was out of control. Had he then given several short blasts, which in these waters appear to be a recognised form of indicating that a vessel is out of control and which the master of the *Yushun* would have understood, when the vessel first refused to answer her hard aport helm, I am advised that the *Yushun* would have been able to get over the Bar and this accident would not have happened. Therefore, I hold the *Appalachee* is to blame.

I am advised that, in reducing speed and keeping well out of the fairway for such a ship as the *Appalachee* the *Yushun* adopted the most prudent course under the circumstances. I, therefore, find the *Appalachee* alone to blame, and I must give judgment for the plaintiffs in this case with costs, and order the damage to be referred to the Registrar and merchants to ascertain.

Reference is made in the annual report of the Hongkong Chamber of Commerce to proposed bi-monthly criminal sessions. A suggestion having been made to the Government that it would be a convenience to the business community to hold the Session once in two months, instead of monthly on the ground that jurors would be called on less frequently, the opinion of the Chamber was sought, but the Committee were unable to recommend the proposal on the ground that prisoners would suffer an injustice in being kept on remand longer than was absolutely necessary. With over 1,000 persons on the Jury List it seemed unnecessary for any one person to be called more than once in two years and the time occupied in attendance at the Sessions would also be shorter under the present system.

CHINA UNITED SERVICE RIFLE ASSOCIATION.

Following the first rifle meeting held last week under the auspices of the China United Services Rifle Association, the interesting ceremony of presenting the prizes to the successful competitors took place on the Parade Ground on March 27th in presence of a good number of spectators, which included representatives of all the services and a coterie of Japanese cadets. His Excellency the Governor, His Excellency Major General Villiers Hatton, and Mrs. Villiers Hatton, Colonel Price, Major Kelsall (secretary) and others were present.

Colonel Price opened the proceedings by an explanatory statement. He said the meeting which had been concluded last Saturday was the first promoted by the China United Services Rifle Association. The object of the association was to bring together all those who by the terms of their service had an allotted duty to perform in the defence of the Colony, to foster a healthy rivalry, and to encourage rifle practice. Judging from the number of those who had entered the competitions he had no hesitation in saying that the meeting had exceeded their expectations. Under the patronage of Sir Matthew Nathan, under the vice patronage of the gentlemen who had consented to become vice patrons, and under the presidency of Major General Villiers Hatton, he thought they had every reason to feel satisfied with the result of the first meeting, to believe that the association was firmly established, and to feel optimistic in regard to its progress (applause). Referring to the programme, he said, with regard to the British events, that for the championship series the entries were very satisfactory. After giving details of the entries in the various events, the speaker said he was afraid that the terms of the Soldiers' Club cup would not admit of its being presented as a general competition cup next year, but he hoped with the assistance of those who had the welfare of the association at heart to get a cup to take its place. He said the council were indebted to Sir Paul Chater for his generous gift to the winners of the Chinese cup. There were 21 entries for the Noel Cup, the winners of which were H.M.S. *Andromeda*, the second being Lieut. Scott's team of Volunteers. The spectators on that occasion were rewarded by seeing the remarkable performance of the marines in covering the 100 yards over broken ground and disposing of their enemies in 41 seconds, the Volunteers being a very good second in 49 seconds. In conclusion, Colonel Price, on behalf of the council, thanked Major General Villiers Hatton for the challenge cup which he had presented, thanked those who had assisted to make the meeting the success that it was, Major Kelsall for his great exertions in the interests of the association, and Majors Chitty and McLean, Captain Carpenter, Lieut. Case Morris, Mr. Northcote, and Mr. Trenchard Davies.

His Excellency Major General Villiers Hatton said he was very glad that the association was formed on a broader basis. He also expressed his satisfaction that Mr. J. R. M. Smith and Sir Paul Chater had come forward to assist the association. They wanted civilians in the association. They had been astonished at the work of the Volunteers, who had come in second in the competition in which they took part, and although he could not say he hoped they would win next year he wished them success (laughter and applause). The big boat from the *Andromeda* had been going over to Stonecutter's very often, and after seeing the work of the *Andromeda* he never expected the Volunteers would get near them. With regard to his own cup, he had tried to make the conditions under which it would be contested for as practicable as possible. An order would come in for 30 men to proceed to a certain point and hold that position until reinforcements came up. They must delay the enemy at all hazards. He had known a team at home lose or win a prize because of the presence or absence of what he called the "idiotic frill"—the wave of hair coming over the eyes. That was not smart. In the conditions he had set down he had endeavoured to be practicable. Perhaps the only thing that did not come under that heading was

the condition of ten rounds, but then there were reasons for only ten rounds. He thought that on the whole the conditions would be found practicable. If a man's water-bottle was empty the team would not be disqualified—but the man would get thirsty. If a man got sunstroke—still the team would not be disqualified. The man might crawl up to his companions or get a couple of Chinamen to help him, or get there by balloon. He did not ask them to make entrenchments. They might get behind a boulder or crawl into a rabbit hole. It did not matter so long as they were under cover and could fire out of the hole. He praised the work of Colonel Price, Major Kelsall, Lieut. Case Morris and Mr. Northcote for their assistance to the Association, because they had put it on its legs (applause). He thought they would have little trouble in making it an almost continuing success (applause).

Mrs. Villiers Hatton then presented the prizes to the winners as under:—

CHAMPIONSHIP SERIES.

200 yards—1, Major W. W. Chitty, 119th Regt.; 2, Captain Kitson, 2nd R. W. K. Regt.; 3, Sergt. R. Lapsley, H. V. Corps; 4, Mr. A. MacKenzie, H. V. R. A.; 5, Captain J. D'Oily, 119th Regt.

500 yards—1 and 2 (tie), Captain J. D'Oily and Gunner A. E. Rogers, H. V. C.; 3, Mr. V. Sorby, H. V. C.; 4, Sergt. J. Blogg, A. S. C.; 5, Sergt. R. Lapsley.

600 yards—1, Mr. C. E. H. Beavis, V. R. A.; 2, Asst.-Supt. of Police P. P. J. Wodehouse; 3, L.-Corpl. Williams, 2nd R. W. K. Regt.; 4, Captain J. D'Oily; 5th, Sapper A. Coyle, R.E.

800 yards—1, Captain D'Oily; 2, L.-Corpl. Ibbotson, 3, Mr. J. Fairholme, H. V. C.; 4, Sgt. Major C. Mitchell, 2nd R. W. K. Regt.; 5, Lieut. Case Morris, 2nd R. W. K. Regt.

Championship Aggregate—1, and cup, Capt. D'Oily; 2, and bronze medal, Sgt. R. Lapsley; 3, Sgt. Major C. Mitchell; 4, L.-Corpl. Williams.

CARBINE COMPETITION.

200 yards—1, Major Kelsall, R.A.; 2, Sgt. J. Grant, H. K. Police; 3, Inspector W. Robertson, H. K. Police; 4, Inspector Withers, H. K. Police.

500 yards—1, Gunner W. Till, R.G.A.; 2, Master Gunner H. Torr, R.G.A.; 3, Lieut. J. W. Hope, G.R.A.; 4, Inspector Ritchie, H. K. Police; 5, Sgt. Major Yule, A.O.C.

600 yards—1, Sgt. Major Yule; 2, Inspector Ritchie; 3, Sgt. J. Grant; 4, P. C. Sutherland, H. K. Police; 5, Gunner Till.

Aggregate—1, Sgt. Major Yule; 2, Gunner Till.

Nursery Competition—1, L.-Corpl. Williams; 2, Gunner Coles, H.K.V.A.; 3, L.-Corpl. Flinn, 2nd R. W. K. Regt.

Officers' team competition—119th Regiment. Revolver Competition—1, Captain J. D'Oily; 2, Lieut. Hope; 3, Lieut. Mellor, R.N.

Noel Cup—Marines H.M.S. *Andromeda*.

Affinity Competition—1 and 2 (tie), Mrs. Chitty and Captain D'Oily and Mrs. Fullerton and Mr. F. O. Reynolds.

The prizes to the native regiments were afterwards presented.

His Excellency the Governor then said—Major Kelsall, knowing the interest I took in the association, was kind enough to ask me to be present to see Mrs. Villiers Hatton give the prizes away this afternoon, but he did not tell me I should be expected to make a few remarks, which the General has kindly asked me to do. The first meeting of your association appears to have been most successful and no doubt will continue in future years (applause). The General has explained the principles on which the challenge cup is competed for. If I may say so, I cordially agree with him as to the relative importance he gives to the various conditions, and I also am strongly in favour of the opinion that in a team competition like this it is more important that the average of shooting should be raised rather than a few exceptionally good marksmen should be turned out (applause). My interest in rifle shooting, as well as that of the General, is very well known. We both have the view which is held at home by a higher authority, by Field-Marshal Lord Roberts, that all British born people should qualify themselves in one particular branch of military training, and that is musketry. We think that the

Volunteers and the Volunteer Reserve Association, and indeed every British man, should shoot as well as the regulars themselves. On this occasion the Volunteers have shown themselves to be a very good second to the regulars, and another time I hope with the General, although he hardly dared to express the hope, that they would be, in some competition at any rate, a good first (applause). The General has thanked the members and officials for the work they have done in connection with this association, and I should like to express the thanks of all the members to Major Kelsall, and to congratulate him for having organised this meeting, and to thank Mrs. Hatton for so kindly giving away the prizes (cheers).

On the call of Colonel Price, three cheers were given for His Excellency the Governor, for Mrs. Hatton and the General Officer Commanding.

The band of the Royal West Kents was present, and discoursed selections prior to the opening of the proceedings.

HONGKONG SCHOOLS' SPORTS.

The Hongkong Schools' Sports, always an interesting function, took place on Mar. 26 at the Happy Valley, and despite the unpropitious nature of the weather was well attended. The patrons and officials were:—H.E. the Governor, H.E. Major-General Villiers Hatton, C.B., Bishop Hoare, Bishop Pozzoni, the Hon. Mr. T. Sercombe Smith, Sir H. S. Berkeley, Sir C. P. Chater, Dr. G. H. Bateson-Wright, Conselheiro A. G. Romano, Consul-General for Portugal, Mr. M. Noma, Consul for Japan, Lt.-Col. Kent, R.A., Lt.-Col. Aitken, Lt.-Col. Price, D.S.O., Lt. Col. Fitton, D.S.O., Mr. E. H. Sharp K.C. Clerks of the Course:—Messrs. H. J. Hall, A. O. Brawn, and A. H. Crook. Starters:—T. K. Dealy, B. James, and H. Sykes. Judges:—Messrs. R. J. Birbeck, Rev. Bro. Stephen W. H. Williams, and P. L. Brown. Handicappers:—Messrs. H. Sykes and B. Tanner. Official Timekeepers:—Mr. W. Curwen and Rev. Bro. Cyprian.

The results were as follows:—

One Jump.—For boys up to 16 years of age. Three prizes. 1, P. Elizaga; 2, A. M. Sufflad; 3, Y. Abbas. Distance, 15½ ft.

100 Yards Flat Race.—(Handicap.) For boys from 10 to 13 years of age. Three prizes. 1, J. Castro; 2, Ng Yat Ting; 3, C. Loureiro.

100 Yards Flat Race.—(Handicap.) For boys from 13 to 16 years of age. Three prizes. 1, A. M. Sufflad; 2, P. Elizaga; 3, Y. Abbas.

120 Yards Flat Race.—(Handicap.) For boys from 7 to 10 years of age. Three prizes. 1, E. Castro; 2, A. Castro; 3, A. Azavedo.

One Mile Bicycle Race.—(Handicap.) Open. Three prizes. 1, A. R. Ellis; 2, George Lee; 3, A. Ellis.

High Jump.—Boys (15-18). Two prizes. 1, A. M. Sufflad, 4 ft. 4 in.; 2, H. Anderson; 3, A. R. Ellis.

220 Yards Flat Race.—(Handicap.) Open. Three prizes. 1, A. R. Sufflad; 2, A. G. Sufflad; 3, J. Castro.

120 Yards Hurdle Race.—(Handicap.) 10 flights of 3ft. 6in. hurdles. (13-17.) Three prizes. 1, A. R. Ellis; 2, P. Elizaga; 3, Hung In Chi.

High Jump.—(10-15). Two prizes. 1, P. Elizaga, 4ft. 6½ in.; 2, W. Jenkins; 3, F. Macarandam.

100 Yards Flat Race.—(Handicap.) Girls under 10. Two prizes. 1, G. Tatam; 2, Rose Ablong; 3, M. Mooney.

100 Yards Flat Race.—(Handicap.) Girls over 10. Three prizes. 1, Agnes Lee; 2, Mabel Long; 3, Jessie Stokes.

Quarter-Mile.—(Handicap.) Open. Three prizes. 1, A. G. Sufflad; 2, F. Macarandam; 3, Y. Abbas.

Throwing the Cricket Ball.—Open. Three prizes. 1, F. Macarandam; 2, Hung In Chi; 3, H. Anderson.

Half-Mile Challenge Cup.—14.18. Three prizes.

This race was one that proved of considerable interest, as it is keenly competed for by each school. It was won last year for Queen's College by A. M. Sufflad. The same lad won it again this year. 1, A. M. Sufflad; 2, H. Anderson; 3, A. R. Ellis.

Skiping Race—Girls. Three prizes. 1, Agnes Lee; 2, M. Long; 3, G. Tatam.

50 Yards Flat Race—All-comers under 7. No entry form or fee required. Two prizes. 1, May Mercer; 2, Jessie Stokes.
300 Yards Flat Race—Chinese boys over 14. Two prizes. 1, W. Wong; 2, Hung In Kwong; 3, Hung In Chi.
600 Yards Flat Race.—(Handicap). Open. Three prizes. 1, A. M. Suffad; 2, A. G. Suffad; 3, H. Anderson.

BALUCHIS' SPORTS.

On March 26th the Duke of Connaught's Own Baluchis had their annual sports in the King's Park, Kowloon. The meeting, which was attended by many from the services, leading citizens, French and Japanese visitors, was very interesting, the varied attainments of the members of this native regiment eliciting favourable comment. The most exciting event perhaps was the tug-of-war, while the wrestling on mules proved very amusing. It was typical of the Alliance to find a British blue-jacket and a Japanese cadet competing in the two-legged race. The pleasure of the afternoon was enhanced by the selections played by the band under Mr. N. A. Steadman. The prizes were distributed at the close by Mrs. Gibbs.

NAVAL MEN'S GYMKHANA.

Glorious weather favoured the promoters of the Gymkhana which was held at Happy Valley on Saturday in honour of the visit of the French Far Eastern Squadron to Hongkong. The reception at the Valley took the form of a tiffin which was followed by an afternoon of excellent sport. It was an effort of the local British public, who were represented by the Hon. Mr. Gershom Stewart, Rev. J. H. France, Lieutenant Blackwood, Commander Leathan of H.M.S. *Alacrity*, Lieutenant Dickens, R. N., and Messrs. E. A. Hewett, E. C. Wilks, W. C. Jack, T. C. Gray, Lane Poole, White, T. F. Hough, G. Scott, A. G. Wood, F. Allen, Whitlow and Cochrane. Lieutenant Des Fossier of the *Gueydon*, Lieutenant Rostell of the *Montcalm*, and Mr. Delorme also assisted at the tiffin and sports. That the effort was a successful one was proved as the afternoon wore on, the gaiety permeating the proceedings being very pronounced, and even extending itself to the large crowd which gathered to witness the sports. The tiffin was held beneath the Jockey Club Stand. The place was adorned with flags, while the wants of the 400 British and French sailors present were attended to by the gentlemen previously mentioned.

After tiffin His Excellency the Governor arrived and entered the dining saloon accompanied by the Hon. Mr. Stewart, Mr. T. F. Hough, Admiral Richard and others. As he walked round the tables he spoke a few words to a number of French sailors, who seemed unaware of his identity. When a few of the British bluejackets made them understand that it was the Governor of Hongkong who was fraternally greeting them the signal was passed and immediately a deafening cheering burst forth, the British hurrahs mingling with the French vivas and was maintained until silence was asked for.

When all was quiet His Excellency addressed the guests in French. He said our people entertained them at Portsmouth. They returned the compliment by entertaining the China squadron at Saigon and now that the French fleet had arrived here we were doing our best to entertain them. His Excellency concluded his address with the hope that they had enjoyed their dinner, and that they would enjoy themselves also at the sports.

Admiral Richard, on behalf of the officers and men of the French fleet, returned thanks for the kind reception accorded them. He said they knew what the *entente cordiale* meant, and that such a reception was bound to strengthen it.

More cheering followed these remarks, and the conclusion of tiffin was marked by the singing of the *Marseillaise*.

The sports were then entered upon, the first item on the programme being the jockey race. This was won by Glayzer and Le Cam, with Bendle and Treondart second. Day carried off first prize for the 220 yards flat race, Brown running a good second. The greasy pole caused

a great deal of fun, and it was about a quarter of an hour before the first man got to the top. That man was sailor Halloran of H.M.S. *King Alfred*. The French sailor who followed was also successful. There were numerous entries for the richa race, and as the tyro pullers got going, collisions were frequent, and all regarded humorously. Several richas had to be carried off the field owing to the erratic driving of the handy man. The race was won by Lewis and Sonabout, with Bendle and Cource second. Honours in the three-legged race fell to Tostue and Davis, with Williams and Chambion second. The sack race was won by Abbott, with Tavers second. The tug-of-war proved an interesting item, but the combined team from H.M.S. *King Alfred* and the French ship *Montcalm* were more than a match for the team picked from H.M.S. *Kent* and the French ship *Gueydon*. The event tilting at buckets from wheel-barrows, was won by Halloran and Kerchous, with Dew and Porter second. There was great laughter when the competitors, missing the ring, capsize a bucket of cold water over themselves. Another tug-of-war then took place between teams chosen from the *Montcalm* and *Gueydon*. The men representing the former ship were the winners. The wrestling on mules proved one of the funniest events of the day, and those who witnessed this got some idea of the bull dog tenacity of the sailors. After a hard struggle the team composed of Leruyer, Spinks and Byron was proclaimed the winners. The last item on the programme was the mile flat race. It was an excellent race and Heard deserved his win. Andrews ran second, Cross third and Lee fourth. When this race had concluded Mrs. Gershom Stewart presented the prizes. The band of the Royal West Kents provided music throughout the afternoon, which appeared to have been a very happy one for all concerned.

VOLUNTEER INSPECTION.

The annual inspection of the Hongkong Volunteer Corps took place at the Polo Ground on the 31st March, the inspecting officer being Colonel C. H. Darling, R.E., who undertook the duties in the absence of H. E. Major General Villiers-Hatton. The Artillery Volunteers and Engineers assembled at the headquarters, whence they marched with Maxim guns, to the Polo Ground. Here they were joined by the Volunteer Troop, the whole being under the command of Major Pritchard. H. E. the Governor was present and viewed the proceedings from the pavilion. The inspecting officer was received with a salute, after which he made a minute inspection of the ranks. This was followed by marching past with guns, and after several other movements had been executed, the companies were drawn up and addressed by Colonel Darling. He said that he was pleased that he would be able to present a favourable report to General Villiers-Hatton. On the whole the appearance of officers and men, horses and guns was creditable, but there were minor details as to equipment which called for improvement, and doubtless when the new gun shed was erected they would be able to keep the guns cleaner. He complimented the Volunteers on their recent successes at the rifle meeting at Stonecutter's and concluded by congratulating the corps on its creditable appearance.

CORRESPONDENCE.

FLEET ENTERTAINMENT

TO THE EDITOR OF THE "DAILY PRESS."
Hongkong, March 29th, 1906.

DEAR SIR,—As the quickest way of keeping the general public informed of the arrangements for the entertainment of our French visitors, I write to say that the dinner to the men will take place at the Jockey Club premises, Happy Valley, at 1 o'clock on Saturday next, and the Committee will be very grateful if some gentlemen will come and help them to see that the men are well looked after, and I shall be obliged if those willing to come will inform me. There will be a side table

where gentlemen kind enough to come can have lunch. Any helpers should be there at a quarter to one.

There will be a Gymkhana afterwards for the men of all the French and British ships of war in the harbour who care to compete.

The Committee will be unable to provide tea for the public, but tea and cake will be supplied on the ground by the Cafe Weismann, and can be obtained as required on payment.

All gentlemen desirous of coming to the dinner to the Officers of the French Fleet at the Hongkong Club on the 30th are requested to notify the Secretary of the Club as soon as possible.

The following is a list of subscriptions received towards the entertainment of the men of both Japanese and French Fleets by Mr. J. R. M. Smith, the Hon Treasurer of the Provisional Committee, who have guaranteed all the expenses incurred.
—Yours faithfully,

G. STEWART,
Hon. Secretary to the
Provisional Committee.

Bradley & Co.	\$100.00
S. J. David & Co.	100.00
A. & S. Hancock	100.00
J. R. Michael	100.00
E. W. Mitchell	100.00
Hon. Mr. H. E. Pollock	100.00
F. Salinger	100.00
W. J. Saunders	100.00
H. P. White	100.00
G. Murray Bain	50.00
Wm. Danby	50.00
J. D. Humphreys & Co.	50.00
E. Osborne	50.00
H. W. Slade	50.00
T. Fraser	25.00
H. J. Gedge	25.00
B. Layton	25.00
A. R. Linton	25.00
T. I. Ross	25.00
Hon. Mr. T. Sercombe Smith	25.00
Murray Stewart	25.00
A. G. Stokes	25.00
Dr. G. H. Bateson-Wright	20.00
J. E. Gresson	10.00

\$1,380.00

THE FRENCH NAVAL VISITORS.

TO THE EDITOR OF THE "DAILY PRESS."

April 1st, 1906.

SIR,—I beg to enclose copy of a letter received from the French Admiral. It speaks for itself and I publish it with his permission.

The committee who were responsible for the various entertainments to the Japanese and French fleets beg to thank all those gentlemen who so kindly assisted them. Their especial thanks are due to those naval officers who so kindly undertook the whole organisation of the sports on Saturday, 31st March: Commander Leathan, Lieut. Dickens and Mr. Lane Poole. R. M. A.

The committee also gratefully acknowledge the help given them by the military authorities in lending so much gear, in the shape of forms and tables, etc., to say nothing of mules and many other things.

Those to whom we owe accounts will oblige by sending them in at once, as I leave Hongkong this week.—Yours, etc,

G. STEWART,
Hon. Secretary Provisional Committee.

[Translation of letter referred to]

Dear Mr. Stewart,—I have the honour to inform you that I have received the letter which you so kindly wrote to me. Your proposal to arrange a fête for the men of our squadron, to bring them into friendly contact with the British naval men, has given me infinite satisfaction; and I cannot but accept. I trust you will convey to the unofficial community of Hongkong the lively emotion of gratitude that animates the officers and men of my command. The kindly attentions to us during our sojourn with you will always remain with us an indelible memory.

With best compliments to yourself, dear Mr. Stewart, I remain, etc.
March 30th. (Signed) E. RICHARD.

COMMERCIAL.

SILK.

Messrs. A. R. Burkill & Sons' Silk Circular, dated Shanghai, March 17th, 1906, states:—The home markets are firm; Gold Kiling is quoted in London at 12-9, in Lyons at Fcs. 35.15. Raw Silks.—Since our last issue business has slackened off on account of a reaction on the part of exchange, and a small advance in tael prices of silk, which is strongly held as stocks, are very low. Yellow Silks.—Stock very small, little business doing. Hand Filatures.—A fair business continues to be done in ordinary to reel filatures. Steam Filatures.—Are in demand in fine sizes for Lyons. Tussock Filatures.—A fair business has been done in this class of silk. Waste Silk.—No business doing. Stocks are very small.

OPIUM.

HONGKONG, 31st March

Quotations are:—Allowance net to 1 catty.			
Malwa New	\$990	to	per picul
Malwa Old	\$1040	to	do.
Malwa Older	\$1090	to	do.
Malwa Very Old	\$1150	to	do.
Persian Fine Quality	\$1000	to	do.
Persian Extra Fine	\$1050	to	do.
Patna New	\$900	to	per chest.
Patna Old	\$880	to	do.
Benares New	\$845	to	do.
Benares Old	—	to	do.

COTTON

HONGKONG, 30th March.—Market remains very quiet. Stock about 600 bales.

Bombay	\$18.00 to \$20.00	per picul.
Bengal (New), Rangoon	20.00 to 23.00	"
and Dacca	—	"
Shanghai and Japanese	26.00 to 27.00	"
Tungchow and Ningpo	26.00 to 27.00	"

Reported sales 75 bales.

PIECE GOODS.

Messrs. Noel, Murray & Co.'s latest Report on the Shanghai Piece Goods Trade, dated Shanghai, 22nd March, 1906, states:—The opening of navigation to Newchwang has been the most important event of the week, but as anticipated would be the case the quantity going up is very moderate, namely 5,000 packages in all, one-fifth of which consists of Yarn. The dealers here declare the Japanese methods of doing business are, so far, not conducive to the good of the trade, and the immediate prospects are not looking at all cheering. An attempt to assert their authority has been crushed, to a certain extent, by the prompt action of the other Foreign Consuls there, but the absence of properly established branches of the Foreign Banks is allowing them to manipulate the money market as best suits themselves. They have had the cream of the export trade for some years now, taking advantage of that to monopolise the import trade. This is being done by paying for produce in Yen notes, which at present are only redeemable in Japan, and the money is then invested there in Yarn and Cloths, which are taking the place hitherto held by American heavy goods. That is the complaint of the native dealers here, but on the other hand the depressed state of the trade is said to be due to the very severe winter which has not yet permitted the resumption of traffic on the Rivers, and consequently fairly heavy stocks are still remaining in Newchwang. The weather having kept favourable the clearances have been more satisfactory, but it is noticeable that English makes are receiving more attention than American at present. The week, on the whole, has been a disappointing one, fresh business being on a very small scale. However, some holders have been able to move stocks that have hung fire for a considerable time, and fairly profitably too, notwithstanding they can be replaced at the prices obtained. The home markets are nominally very strong, but there have been one or two eye openers lately that make operators hesitate about placing fresh orders, especially in the staple makes of Manchester goods. Cotton in Liverpool has recovered to 5.91d. for Mid-American, while the quotation for Egyptian is a little firmer at 9½d. The last fortnightly figures of the Exports were 16,000,000 yards. The American market is still very firm, but if the home demand slackens off at all prices are bound to be easier for export, in face of the large supplies here and afloat. It is certainly beginning to look very doubtful now if the large quantities re-exported from this port last year have all gone into consumption. The Yarn market has been quiet but steady, the River buyers being the sole operators during the interval. The lower grades of Cotton are slightly easier. Piece Goods.—Exchange has remained

fairly steady during the week, and on a slightly higher level. Judging by the particulars published a very fair business must be doing from second hands, which leads to the reflection again that in spite of the heavy supplies here available stocks in the hands of importers are comparatively light. The Auctions have shown a decidedly weaker tendency for Grey and White goods.

HONGKONG QUOTATIONS.

HONGKONG, 29th March, 1906.

Apricot	\$30	to	—
Borax	\$14	to	\$17.50
Cassia	\$14	to	\$19
Cloves	\$20	to	\$36
Camphor	\$180	to	—
Cow Bezoar	\$120	to	\$150
Fennel Seed	\$6	to	—
Galangal	\$5	to	—
Grapes	\$15	to	—
Kisuiis	\$20	to	—
Luc	\$26	to	—
Olibanum	\$2	to	\$16
Oil Sandalwood	\$250	to	\$375
„ Rosa	\$50	to	\$130
„ Cassia	\$151	to	—
Raisins	\$8	to	—
Senna Leaves	\$2.50	to	\$6
Sandalwood	\$24	to	\$30
Saltpetre	\$11.30	to	—

MISCELLANEOUS IMPORTS.

HONGKONG, 30th March.—The prices ruling are as follows:—

COTTON YARN—			
		per bale	
Bombay—Nos. 10 to 20	...	\$90.00 to	\$128.00
English—Nos. 16 to 24	...	140.00 to	160.00
„ 22 to 24	...	160.00 to	165.00
„ 28 to 32	...	167.50 to	175.00
„ 38 to 42	...	180.00 to	190.00

Reported sales 1,000 bales.

COTTON PIECE GOODS—			
		per piece	
Grey Shirtings—6 lbs.	...	\$2.20 to	\$2.25
7 lbs.	...	2.30 to	2.40
8.4 lbs.	...	3.00 to	4.00
9 to 10 lbs.	...	4.10 to	5.30
White Shirtings—54 to 56 rd.	...	2.80 to	3.00
58 to 60	...	3.10 to	3.60
64 to 66	...	3.80 to	5.40
Fine	...	6.10 to	8.00
Book-folds	...	5.30 to	8.10
Victoria Lawns—12 yds.	...	0.80 to	1.00
T-Cloths—6lbs. (32 in.), Ord'y.	...	2.20 to	2.30
7lbs. (32 „), „	...	2.70 to	3.00
6lbs. (32 „), Mexs.	...	2.25 to	2.70
7lbs. (32 „), „	...	2.90 to	3.20
8 to 8.4 oz. (36 in.)	...	3.25 to	3.80
Drills, English—40 yds. 13½	...	5.10 to	8.00
to 14 lbs. „	...	—	—

FANCY COTTONS—

Turkey Red Shirtings—1½ to	1.70 to	4.33
8 lbs. „	—	—

per yard			
Brocades—Dyed	0.12½ to	0.15	
Chintzes—Assorted	—	—	
Velvets—Black, 22 in.	0.23 to	0.45	
Velveteens—18 in.	0.22 to	0.27	

Handkerchiefs—Imitation Silk

per dozen	to	—
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WOOLLENS—

per yard			
Spanish Stripes—Sundry chops	0.70 to	2.05	
German	—	—	

Habit, Med., and Broad Cloths	1.10 to	3.50	
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per piece

Long Ells—Scarlet, 7-9 lbs.	6.15 to	9.50	
Assorted	6.90 to	9.65	

Camlets—Assorted	13.00 to	31.00	
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Lastings—30 yds. 31 inches	13.00 to	20.00	
Assorted	—	—	

Orleans—Plain, 31 in.	8.50 to	1.000	
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per lb

Blankets—5 to 12 lbs.	0.65 to	0.80	
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METALS—

per picul.			
Iron—Nail Rod	4.00 to	—	

Square, Flat Round Bar (Eng.)	3.95 to	—	
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Swedish Bar	4.05 to	—	
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Small Round Rod	4.30 to	—	
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Hoop 1 to 1½ in.	6.00 to	—	
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Wire, 16 25 oz.	9.50 to	—	
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Wire Rope, Old	3.00 to	—	
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Lead, L.B. & Co. and Hole Chop.	10.20 to	—	
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Australian	10.20 to	—	
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Yellow M'tal—Muntz 14.20 oz.	41.00 to	—	
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Vivian's 14/20 oz.	41.00 to	—	
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Elliot's 14/20 oz.	41.00 to	—	
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Composition Nails	—	to	—
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Japan Copper, Slabs	—	to	—
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Tin	89.00 to	—	
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per box			
Tin-Plates	6.70 to	—	

per cwt. case			
Steel 1 to 1½	—	to	—

MISCELLANEOUS EXPORT.

Messrs. Arnhold, Karberg & Co.'s Fortnightly Produce Circular, dated Shanghai, 19th March, 1906, states:—Gallnuts.—There has been a good demand for usual and plum-shaped Galls, but business is very restricted as exchange, contrary to all expectations, has taken the upward course again. Cowhides.—The situation is still the same as outlined in our last circular. Tobacco.—Nothing doing. Feathers.—There is a better feeling in the market but prices remain about the same. Cotton.—Our market is practically bare of all stocks of Hankow Cotton, the quality most in demand for export, and hardly any business has been done in the meantime. It is reported that there are heavy stocks kept in Hankow, and if the local demand does not increase very soon Chinese will probably be willing to accept lower prices. Tallow.—Prices are rather high and only a limited business has been done in the meantime. Strawbraid.—Quite a number of transactions have taken place in 7 End Split and market is practically drained of all desirable stocks. Lohy White and Motiles are also in strong demand, but supplies are small. Goatkin Rugs.—Demand is as keen as ever, and for what is left dealers are asking prices never heard of before. Wool.—Sheep's.—All parcels coming to this market find ready buyers.

HANKOW, 21st Mar., 1906.—The prices quoted are for the net shipping weight excluding cost of packing for export:—

	Per picul.
Cowhides, Best Selected	Fls. 38.00
Do. Seconds	34.00
Buffalo Hides, Best Selected	18.50
Goatkins, untanned, chiefly white color	65.00
Buffalo Horns, average 3-lbs. each	8.50
White China Grass, Wuchang and or	—
Poochi	12.00
White China Grass, Sinshan and/or Chayu	11.50
Green China Grass, Szechuen	12.50
Jute	5.25
White Vegetable Tallow, Kinchow	9.25
White Vegetable Tallow, Pingchow	—
and/or Macheng	9.20
White Vegetable Tallow, Mongyu	8.75
Green Vegetable Tallow, Kiyu	9.00
Animal Tallow	9.50
Gallnuts, usual shape	16.75
Do. Plum do.	18.50
Tobacco, Tingchow	9.00
Do. Woukong	11.00
Black Bristles	110.00
Feathers, Grey and or White Duck	(nom.)
„ „ Wild Duck	(„)
Turneric	3.50
Sesamum Seed	4.10
Sesamum Seed Oil	7.50
Vegetable Tallow Seed Oil	(nom.)
Wood Oil	8.50
Tea Oil	10.00

Per steamer *Achilles*, sailed on 15th March For London or Cont:—41 cases camphor, 10 case bristles. For Amsterdam:—17 cases effects. For Rotterdam:—162 rolls matting. For London:—286 bales waste silk, 26 cases shells, 10 cases vermilion, 182 packages curios, effects and sundries, 300 cases preserves, 106 rolls matting, &c. 237 bales canes. For London or Antwerp:—20 cases essential oil. For London or Glasgow or Dundee:—100 cases ginger. For Glasgow:—200 bales cassia. For Manchester:—320 bales waste silk. For London or Cont:—89 bales feathers, 5 cases human hair, 24 rolls matting, 64 bales gallnuts. For Boston:—2 cases silk. For Antwerp:—400 bales bamboos.

Per steamer *Peleus* sailed 22nd March. For Constantinople:—10 cases essential oil. For Smyrna:—10 cases essential oil. For Trieste:—70 cases bristles. For Marseilles:—20 bales human hair. For Marseilles/Havre:—257 bales canes, 26 cases essential oil, etc. For Bordeaux:—76 rolls matting. For Liverpool:—200 bales mats, 224 bales sundries. For Manchester:—106 bales waste silk.

Per P. & O. steamer *Formosa* sailed 28th March. For Manchester:—4 cases piece goods. For Gibraltar:—2 cases curios. For Marseilles:—63 rolls mats. For Bordeaux:—144 rolls mats. For London:—86 bales canes, 60 rolls matting, 28 cases Chinaware, 40 packages woodware, 50 bales waste silk, 17 packages feathers, 1 case merchandise, 250 bales hemp, 28 cases camphor, 3 cases ginger, 21 cases P. effects, curios, 65 packages merchandise (opt.)

For P. & O. steamer *Delta* sailed 24th March. For Manchester:—225 bales waste silk. For Gibraltar:—2 cases cigars. For Lyons:—224 bales raw silk. For Marseilles:—7 cases feathers, 214 bales raw silk. For London:—14 cases cigars, 120 rolls matting, 1 box jewellery, 3 packages sundries, 969 bales hemp, 1 case shirts.

SHARE REPORTS.

HONGKONG, 30th March, 1906.—There has been a little more movement in the market since the date of our last, and business has been a little more active. We have however nothing of any importance to report, transactions having been confined almost entirely to investing business, the speculative element being still very conspicuous by its absence. Rates have ruled steady with the exception of Docks, Cottons and Sugars, all of which show alterations worthy of note. The market closes with a less stagnant appearance than has been apparent for some time.

BANKS.—Hongkong and Shanghai remain at \$355 with small sales; the London rate improved in the early part of the week under review to £88. 5s. 0d., but afterwards quotations came out lower at £87. 10s. 0d. Nationals continue in demand at \$40, but without any business to report.

MARINE INSURANCES.—Unions have been placed during the week in small lots at \$795 and close somewhat quiet with sellers at that price. China Traders, with a small demand, improved to \$97, after sales at \$96 and \$96.50, the market closing steady at the latter rate. North Chines and Yangtszes remain quiet without any local business.

FIRE INSURANCES.—Hongkongs have found further small buyers at \$300 and close steady at that rate. Chinas are still in demand at quotation without bringing any shares on the market. The rate however has not improved and buyers are not willing to raise it beyond \$85 to \$86.

SHIPPING.—Hongkong, Canton and Macao have been placed during the week at \$25 and earlier at \$24.50, that market closing with sellers at the former and buyers at the latter rate. Douglasses have improved to \$41 with buyers, and China-Manilas have changed hands at \$18. Indo-Chinas have continued steady at \$93 but few shares are available, and there is but little business to report. The market under this heading has ruled very quiet and we have nothing else to report.

REFINERIES.—China Sugars declined over settlements to \$180 after small sales at \$182 and \$181. At the first mentioned rate a fair business was put through, the demand at the close exceeding the supply, and at time of closing there are no shares on offer under \$183. Luzons with the issue of a report recommending the payment of no dividend have declined to \$25, at which rate shares are probably procurable.

MINING.—Ranbs have fallen to \$3 with small sales and close weak at that. We have nothing else to report under this heading.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks. The improvement reported in our last has been well maintained, and with a continued small demand and but few sellers the rate quickly rose to \$163 to \$164 after small sales at \$158 and \$159; the market closes strong at quotation. Kowloon Wharves have remained neglected, and the rate has fallen without sales to \$100, at which rate, however, the stock closes in a small demand. Farnhams have ruled fairly steady at Tls 118 but without any local business. We have nothing else to report under this heading.

LANDS, HOTELS AND BUILDINGS.—Hongkong lands have been placed at \$114 and later at \$115, and close steady at the latter rate. Kowloon Lands have found buyers at \$39 and more can be placed at that rate. Hotels have improved to \$133 with small sales. Humphreys' Estates have been placed in fair lots at \$11.50 but close with further sellers at that rate.

COTTON MILLS.—Ewos have ruled weaker with sellers at Tls. 64 but all other cotton rates come higher from the north, Internationals being quoted at Tls. 61, Lau Kung Mows at Tls. 67.50, and Soychees at 300. Hongkongs remain quiet at \$164.

MISCELLANEOUS.—Bell's Asbestos have found buyers at \$7.25; China Borneos at \$5.50, \$6 and \$6.50; Green Islands at \$30; Light and Powers at \$9.50, and Watsons at \$13. We have nothing else to report under this heading.

Closing quotations are as follows:—

COMPANY.	PAID UP.	QUOTATIONS.
Alhambra	\$200	\$100
Banks—		
Hongkong & S'hai..	\$125	\$855, sales London, £87. 10s.
National B. of China		
A. Shares	£5	\$40, buyers
Bell's Asbestos E. A..	12s. 6d.	\$71, sales
China-Borneo Co.....	\$12	\$01, buyers
China Light & P. Co.	\$10	\$91, buyers
China Provident	\$10	\$9
Cotton Mills—		
Ewo.....	Tls. 50	Tls. 64, sellers
Hongkong	\$10	\$161, sellers
International	Tls. 75	Tls. 61
Lau Kung Mow	Tls. 100	Tls. 67½
Soychees	Tls. 500	Tls. 3 0
Dairy Farm	\$6	\$16
Docks & Wharves—		
Farnham, B. & Co....	Tls. 100	Tls. 118½, buyers
H. & K. Wharf & G.	\$50	\$100, buyers
H. & W. Dock	\$50	\$163½, buyers
New Amoy Dock	\$6½	\$161, buyers
S'hai & H. Wharf	Tls. 100	Tls. 212½, ex div.
Fenwick & Co., Geo....	\$25	\$21
G. Island Cement.	\$10	\$30, sales & sel.
Hongkong & C. Gas....	\$10	\$175, buyers
Hongkong Electric....	\$10	\$161
Do. New	\$10	\$16, sellers
H. H. L. Tramways....	\$100	\$215, buyers
Hongkong Hotel Co....	\$50	\$133, buyers
Hongkong Ice Co.....	\$25	\$230
Hongkong Rope Co....	\$50	\$143
H'kong S. Waterboat	\$10	\$10, sellers
Insurances—		
Canton	\$50	\$355, buyers
China Fire	\$20	\$86, buyers
China Traders	\$25	\$97
Hongkong Fire	\$50	\$300, sales & buy.
North China	\$5	Tls. 92½
Union	\$100	\$795, sellers
Yangtsze	\$60	\$180
Land and Buildings—		
H'kong Land Invest.	\$100	\$115
Humphreys' Estate	\$10	\$111, sales & sel.
Kowloon Land & B.	\$30	\$39, sales & buy.
Shanghai Land	Tls. 50	Tls. 118, sales
West Point Building	\$50	\$53, sellers
Mining—		
Charbonnages	Fcs. 250	\$400
Raub	18/10	\$3, sellers
Philippine Co.	\$10	\$51
Refineries—		
China Sugar	\$100	\$183, sellers
Luzon Sugar	\$100	\$25
Steamship Companies		
China and Manila....	\$25	\$18, sales
Douglas Steamship	\$50	\$41, buyers
H., Canton & M.	\$15	\$25, sellers
Indo-China S.N. Co.	\$10	\$93½, buyers
Shell Transport Co.	\$1	\$24½, buyers
Star Ferry	\$10	\$32, buyers
Do. New	\$5	\$23, sellers
Shanghai & H. Dyeing	\$50	\$50
South China M. Post.	\$25	\$20, sellers
Steam Laundry Co.	\$5	\$7, sellers
Do.	\$5	\$6½, sellers
Stores & Dispensaries.		
Campbell, M. & Co.	\$10	\$36
Powell & Co., Wm.	\$10	\$11
Watkins	\$10	\$6, sellers
Watson & Co., A. S.	\$10	\$13
United Asbestos	\$4	\$9
Do. Founders	\$10	\$160

VERNON & SMYTH, Brokers.

Messrs. J. P. Bisset & Co.'s Share Report for the week ending the 22nd March, 1906, states:—Since our last there has only been a very meagre

business done at rates which show but little variation. For the March Settlement a certain amount of final adjustments of accounts have been made since our last, but new business is very slack, and there is no indication just now of an impetus. The T. T. rate on London in 2/10½. Banks.—H. & S. Banks. There is no business reported. Hongkong quotes \$850 ex div. and the latest London quotation is £89. Marine and Fire Insurance.—No transactions have taken place. Shipping.—Indo-Chinas. We have only one transaction to record, viz: Tls. 70 for July. Shanghai Tugs. Ordinary shares have changed hands at Tls. 50 ex div. Docks and Wharves.—S. C. Farnham, Boyd & Co. Ltd. The March rate has remained quite steady at something between Tls. 120 and Tls. 118½, but for forward delivery a decline has taken place, and the market has dropped away from Tls. 122½ for July to Tls. 120. There is nothing much doing in the Stock just now. Shanghai and Hongkong Wharves. Since our last, rates have jumped up and down in the most unaccountable manner. The market opened on the 16th at Tls. 223 March and Tls. 227½ June, to be immediately followed by a sharp decline to Tls. 217½ March and Tls. 237½ September. On Monday shares increased in value once more to Tls. 222½ March, at which rate there are buyers at the close; for forward delivery Tls. 237½ September has been done and there are no other quotations reported. Yangtsze Wharves. Shares have changed hands at Tls. 225 and 230 for cash. Sugars.—There are buyers of Perak Sugars at Tls. 70 cash. China Sugars are quoted from Hongkong as \$208 sellers. Mining.—There is no business reported this week. Shanghai Lands.—Remain steady at Tls. 118 cash. Industrial.—Cottons. Nothing reported. Shanghai Ice Shares have changed hands at Tls. 26 and 25 ex div. China Flours are nominal at Tls. 82½ ex div. Langkats. A fair business has been done in this Stock, and a slight decline has to be chronicled. The market opened at Tls. 227½ March ex div., Tls. 235 June, and Tls. 236 July; on the following day Tls. 230 June, Tls. 232½ July, and Tls. 235 August were all the rates reported. On the 20th the March quotation declined to Tls. 222½ and a sale took place the following day at Tls. 223½ at which rate the market closes steady, the June quotation remaining at Tls. 230. Shanghai Sumatra Shares have changed hands at Tls. 56 cash. Stores and Hotels.—Hall & Holtz have been dealt in at \$22. There is no other business quoted. Miscellaneous.—Telephone Shares in very small lots have changed hands at Tls. 59, and there are buyers of large quantities in the market. Loans and Debentures.—There has been nothing done this week.

EXCHANGE.

MONDAY, 2nd April.

ON LONDON.—	
Telegraphic Transfer	2/0½
Bank Bills, on demand	2/0½
Bank Bills, at 30 days' sight	2/0½
ON LONDON.—	
Bank Bills at 4 months' sight	2/1
Credits, at 4 months' sight	2/1½
Documentary Bills, 4 months' sight	2/1½
ON PARIS.—	
Bank Bills, on demand	258½
Credits 4 months' sight	262½
ON GERMANY.—On demand	210½
ON NEW YORK.—Bank Bills, on demand	50
Credits, 60 days' sight	50½
ON BOMBAY.—Telegraphic Transfer	154½
Bank, on demand	154½
ON CALCUTTA.—Telegraphic Transfer	154½
Bank, on demand	154½
ON SHANGHAI.—Bank, at sight	71½
Private, 30 days' sight	72½
ON YOKOHAMA.—On demand	100½
ON MANILA.—On demand	100½
ON SINGAPORE.—On demand	14½ p.m.
ON BATAVIA.—On demand	123½
ON HAIPHONG.—On demand	3½ p.m.
ON SAIGON.—On demand	3 p.m.
ON BANGKOK.—On demand	62
SOVEREIGNS, Bank's Buying Rate	\$9.70
GOLD LEAF, 100 fine, per tael	\$50.80
BAR SILVER, per oz.	29½

FREIGHTS.

From Hankow per Conference Steamers.—To London and Northern Continental ports 46/- per ton of 40 c. ft. plus river freight. To Genoa, Marseilles or Harve 41/6 per ton of 40 c. ft. plus river freight. To New York (via Suez) 32/- per ton of 40 c. ft. plus river freight. To New York (overland), Tea G. \$1½ cents per lb. gross, plus river freight. To Shanghai: Tea and General Cargo, Tls. 1.80 per ton, weight or measurement.

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

March—

ARRIVALS.

23. Hailan, French str., from Pakhoi.
 23. Rajaburi, German str., from Bangkok.
 24. Charterhouse, Br. str., from Singapore.
 24. Haversham Grange, Br. str., from Barry.
 24. Venetia, British str., from Calcutta.
 24. Verona, German str., from Shanghai.
 25. Andress Rickmers, Ger. str., from B'kok.
 25. Cranley, British str., from Durban.
 25. Helene, German str. from Hoihow.
 25. Kiukiang, British str., from Chiukiang.
 25. Kweichow, British str., from Tientsin.
 25. Lennox, British str., from Japan.
 25. Paklat, German str., from Bangkok.
 25. Riverton British str., from Barry.
 25. Triumph, German str., from Hoihow.
 26. Bayern, German str., from Yokohama.
 26. Benedi, British str., from Shanghai.
 26. Hong Moh, British str., from Singapore.
 26. Kintuck, British str., from Liverpool.
 26. P. E. Friedrich, Ger. str., from Brem n.
 26. Rubi, British str., from Manila.
 26. Welsh Prince, British str., from Bombay.
 26. Wosang, British str., from Tientsin.
 26. Yochow, British str., from Shanghai.
 27. Amiral Fourchon, Fr. str., from S'apore.
 27. Australian, British str., from Japan.
 27. Catherine Apcar, Br. str., from Singapore.
 27. Changsha, British str., from Kobe.
 27. Chiyuen, Chinese str., from Shanghai.
 27. Formosa, British str., from Yokohama.
 27. Germania, German str., from Bangkok.
 27. Loodmoon, German str., from Wuhu.
 27. Manug Maru, Jap. str., from Wakamatsu.
 27. Mausang, British str., from Sandakan.
 27. Tambov, British str., from Nagasaki.
 27. Telemachus, British str., from Shanghai.
 28. Chowfa, German str., from Bangkok.
 28. Ferndene, British str., from Karasu.
 28. Haitan, British str., from Swatow.
 28. Hongkong, French str., from Haiphong.
 28. Kaifong, British str., from Iloilo.
 28. Silesia, German str., from Shanghai.
 29. Anghin, German str., from Bangkok.
 29. Bantu, British str., from Singapore.
 29. Haimun, British str., from Swatow.
 29. Heimdal, Norwegian str., from Iloilo.
 29. Hue, French str., from Haiphong.
 29. M. Struvo, German str., from Chinkiang.
 29. Shinano Maru, Jap. str., from Shanghai.
 29. Sungkiang, British str., from Iloilo.
 29. Tallisman, Nor. str., from Pulo Laut.
 March—
 23. Armand Behio, French str., for Shanghai.
 23. Bonlawers, British str., for Nagasaki.
 23. Clam, British str., for Shanghai.
 23. Haimun, British str., for Swatow.
 23. Hangsang, British str., for Swatow.
 23. Kwangtah, Chinese str., for Canton.
 23. Kwangsang, British str., for Canton.
 23. Loongsang, British str., for Manila.
 23. Neckar, German str., for Yokohama.
 23. Sulsang, British str., for Singapore.
 23. Ulabrand, Norwegian str., for Saigon.
 23. Zafiro, British str., for Amoy.
 24. Delta, British str., for Europe.
 24. Siam, British str., for Shanghai.
 24. Vancouver, British str., for Singapore.
 24. Yunnan, British str., for Canton.
 25. China, American str., for Shanghai.
 25. Chowtai, German str., for Bangkok.
 25. Daijin Maru, Japanese str., for Swatow.
 25. Gregory Apcar, British str., for Calcutta.
 25. Haiching, British str., for Swatow.
 25. Lyémoon, German str., for Shanghai.
 25. Nicomedia, German str., for Moji.
 25. Niss, British str., for Singapore.
 25. Nerge, Norwegian str., for Yokohama.
 25. Phuyen, French str., for Hongay.
 25. Rippingham Grange, Br. str., for Vladivostok.
 25. Saxonia, German str., for Singapore.
 25. Segovia, German str., for Shanghai.
 25. Signal, German str., for Bangkok.
 25. Tjilatjap, Dutch str., for Singapore.
 25. Zaida, British str., for Amoy.
 26. Gera, German str., for Singapore.
 26. Kweichow, British str., for Canton.
 26. Shaoching, British str., for Shanghai.
 26. Stuttgart, German str., for Singapore.
 26. Taiwan, British str., for Bangkok.
 27. Benedi, British str., for Kotschikang.
 27. Dagny, Norwegian str., for Hongay.

27. Kintuck, British str., for Shanghai.
 27. Laisang, British str., for Singapore.
 27. Meefoo, Chinese str., for Shanghai.
 27. Tean, British str., for Manila.
 27. Verona, German str., for Singapore.
 27. Wosang, British str., for Canton.
 27. Yochow, British str., for Canton.
 28. Bayern, German str., for Europe.
 28. Chiyuen, Chinese str., for Canton.
 28. Emma Lukyen, German str., for Saigon.
 28. Empress of China, Br. str., for Vancouver.
 28. Formosa, British str., for Singapore.
 18. Hilary, British str., for Hongay.
 28. Indravelli, British str., for Chefoo.
 28. Johanne, German str., for Swatow.
 28. Keongwai, German str., for Swatow.
 28. Loongmoon, German str., for Swatow.
 29. Amiral Fourchon, Fr. str., for Shanghai.
 29. Charterhouse, British str., for Hoihow.
 29. Changsha, British str., for Port Darwin.
 29. Hong Moh, British str., for Amoy.
 29. Kiukiang, British str., for Shanghai.
 29. Kwongsang, British str., for Shanghai.
 29. Riverton, British str., for Rangoon.
 29. Swanley, British str., for Vladivostock.
 29. Triumph, German str., for Hoihow.
 29. Tambov, Russian str., for Singapore.
 30. Cheongshing, British str., for Swatow.
 30. Haitan, British str., for Swatow.
 30. Hue, British str., for Kwangchowwan.
 30. Kwangtah, Chinese str., for Shanghai.
 30. M. Struvo, German str., for Canton.
 30. Silesia, German str., for Singapore.
 30. Telemachus, British str., for Singapore.

PASSENGERS.

ARRIVED.

Per Haimun, from Swatow. Rev. and Mrs. Lonhardt, Mrs. Murray, Miss Ko bett, Miss Bond, Mr. G. Hyde.
 Per Prinz Eitel Friedrich, from Bremen, for Hongkong. Mr. and Mrs. H. E. Tomkins and child n, Mr. and Miss Paeks, Col. and Mrs. Dillon, Mr. and Mrs. I. Schuitze, Mrs. and Miss Vail, Mrs. Muerve, Mrs. Vossler, Miss M. Armitage, Miss Hogg, Miss Plunkett, Miss Furness, Miss Smith, Miss Wilson, Miss M. Wendt Dr. Schuetze, Capt. I. C. Harrison, Baron von Ergetel, I. Quin, H. Fox, Uthai, D. F. Vouch, C. T. Graham, E. Watson, W. Robinson, C. A. S. Sewell, A. Krobkanberger, P. Merz, Wulff, A. Kapsel, Voelz, M. Bauml, G. Wittrock, E. Gentner, I. Mainka and I. Schaffrath; for Shanghai, Mr. and Mrs. H. Velling and children, Mr. and Mrs. Calthrop Mr. and Mrs. C. S. Barff, Mr. Mrs. Atkinson, Mr. and Mrs. G. Korndorfer, Mr. and Mrs. G. F. Montgomery, Mr. and Mrs. Winters, Mr. and Mrs. Lazarus, Mr. and Mrs. Briggs, Mr. and Mrs. P. M. Steward, Mr. and Mrs. A. H. Wrey, Mr. and Mrs. Anthony, Col. and Mrs. McCord, Mr. and Mrs. Jenkins, Mr. and Mrs. Berrick, Mr. and Mrs. A. Schuetz, Mr. and Mrs. G. F. von Krouh, Mr. and Mrs. G. E. Ruld and children, Mr. and Mrs. F. F. Hopkins, Mr. and Mrs. Kitley, Mr. and Mrs. Symons, Mr. and Mrs. Phups, Mr. and Mrs. A. Antonich, Mr. and Mrs. Klimant, Mr. and Mrs. Neumeister, Mrs. F. S. Shaw and children, Mrs. F. M. Smith, Mrs. G. Heitmann, Mrs. Scheurleer, Mrs. H. Horn, Mrs. A. R. Tonelly, Mrs. Poletti, Miss M. Knight, Miss A. Griffin, Miss Champion, Miss M. Cronshaw, Miss E. H. Wright, Miss Heidorn, Miss S. Moule, Miss E. H. Meyer, Miss E. Bieberstein, Miss Catty, Miss I. S. Parrott, Miss E. Haeseler, Miss Donnelly, Miss Brotherton, Miss Hoggarth, Miss M. E. Knight, Miss E. Hall, Miss Phelps, Miss Cumberland, Miss Crommelin, Miss Downie, Miss Tencate, Miss Linker, Dr. A. Seifarth, Dr. Loudon, Dr. Nagai, Prof. Dr. Ward, Baroness E. Klopman, Commander P. Cullen, Col. W. Samoyloff, Capt. H. F. R. Despart, Dr. A. Ham, Lieut. E. N. Harding, Col. Long, Capt. Dann-vig, Rev. Tucker, Messrs. H. E. Hsuh Kioh, F. G. Barclay, C. M. Bartlett, M. E. Crossley, Henry H. Hanburg, C. Bokemann, A. Schaeffe, O. Crasemann, N. E. Cornish, P. Gayou, Lauze, C. Tuonge, Takikawa, F. Macnaghten, A. Reynolds, C. H. P. Hay, S. Nakamura, T. Hada, E. Poeppel, O. Mordhorst, C. T. W. Menck, H. H. Sust, M. Burckhardt, M. Krieg, E. Kiessling, H. Redcliffe, Wittmann, Ch. Prest, G. F. Goodhart, Houston, K. Iwamoto, H. Tug, T. R. Clarke, W. Schmidt, F. Poletti, Sumigoshi, T. Kawano, F. Reyer, Kou, M. Stals, B. v. Ekeren, H. Driessen, G. Lazara, B. Rempel, A. Penner and H. Kasahara.

Per Nippon Maru, from San Francisco, for Hongkong. Mrs. Jenney, Mrs. Whitted, Mrs. E. W. Pattison, Miss J. Anderson, Lieut. Roy Vincent, Lieut. W. S. Whitted, Messrs. H. S. Geibag, E. W. Pattison, W. A. Platts, Kuratsuji, David Walstrom, M. Moriyama, A. Vincent and Chas. Jenney.

Per Delta, for Hongkong, from Shanghai, &c. Mr. and Mrs. N. A. Kelly and Misses (3). Mr. and Mrs. H. W. Buckland, infant and amah, Mr. & Mrs. Hannes, Mr. & Mrs. Beasley, two infants and amah, Mr. and Mrs. F. Anderson and two children, Mr. and Mrs. Wm. Cope, Mrs. Truman infant and amah, Mrs. Sparke and infant, Mrs. P. H. Millard and infant, Miss Brodhrast, Capt. Fufnell, R.N., Messrs. J. B. Walsh, B. Atkinson, A. M. Aldulhusien, E. W. Eves and servant, Capote, Guy Delme, W. H. Jeffery, Lazarus, O. P. Gladstone and E. Cateau.

Per Formosa, for Hongkong from Kobe. Mr. E. W. Maitland; from Shanghai, Mrs. E. W. Maitland, child, infant and amah, Mr. J. E. Hanson; for London from Shanghai, Mr. Mrs. and Miss Early, Mrs. Fuller, two children and infant, Mr. J. L. Bessell; from Yokohama, Mr. C. H. V. Wilson.

Per Rubi, from Manila for Hongkong. Mr. and Mrs. C. F. Ridgway, Mr. and Mrs. E. B. Johnston, Mr. and Mrs. L. A. Wood, Mr. and Mrs. F. Richter and 2 children, Mr. and Mrs. H. G. Jefferson, Mr. and Mrs. F. B. Wood, Mr. and Mrs. Cu Unjieng and children, Mr. and Mrs. Bushey, Mr. and Mrs. J. Andrew Hall, Mrs. Gardner Wilder, Mrs. E. L. Barnes, Master Allen Wood, Lieut. Jas. J. McLean, Lieut. A. E. Watson, Colonel David Baker, Dr. T. U. Wallher, Master Pauline Wood, Messrs. A. J. Moberg, J. F. Haladay, F. S. Huickley, Cl. Hengstbach, R. L. Finnick and child, H. Hinton, M. A. Rodriguez, Mariano Barretto, S. K. Yin, G. M. Lukesh, A. Kauffman.

DEPARTED.

Per Loongsang from Hongkong, for Manila. Mr. and Mrs. Merrick W. Creagh, Messrs. Leopold Premyslav, H. L. Hemans, L. E. Dumas, V. K. Kingcome, Francis Fochrenbach, Cue, Jucos and Cue Tiangco.

Per Prinz Eitel Friedrich, from Hongkong for Shanghai, Dr. and Mrs. Schaulinsland, Mrs. Krieg, Messrs. J. C. Ritchie, Meier, H. Take-nobu, A. G. Xavier, A. Speirs, Farrell, H. Coelauz and Teimbell; for Nagasaki, Mrs. McNeil, Mrs. McNeil, Mrs. Otaka, Mrs. Matsui, Messrs. Asano and McNeil; for Kobe, Mrs. Pearson, Messrs. B. Butler, Y. Gohara, K. Gohara and Takesawa; for Yokohama, Mr. and Mrs. de Carstanjen, Mrs. Silva, Mrs. Passas, Dr. H. Korok, Dr. K. Fugu, Count A. de L. Arbre, Messrs. F. Lamoit, B. Muller and V. Scharrer.

Per China, from Hongkong, for San Francisco. Mr. and Mrs. S. Lawton, Mr. and Mrs. W. W. Simpson and maid, Mr. and Mrs. B. Richardson, Mrs. B. J. Sutton, Mrs. M. C. Day, Mrs. Mary Blacker, Mrs. H. B. P. Adams, Miss V. Collett, Miss Booth, Miss Bryant, Miss A. Waterfall, Miss Dale, Miss Rantoul, Messrs. W. Cruch, B. H. Seaward, H. Mercier, A. L. Parsons, Col. P. Robin, F. Plessis, A. McKillop, J. M. Holmes, F. W. Dahlker, E. L. Monser, J. Black, A. A. Robb, James Bartnell, C. R. Hewlett, G. S. Yuill, B. Parker Bidden, and wife, and T. S. Harris; for Yokohama, Mr. and Mrs. S. B. Brown, Miss E. M. Bell, Miss Rhodes, Miss E. Davey, Messrs. P. Chase and wife, W. J. Gray, A. Cecil Carter, and N. McGill; for Nagasaki, Mr. and Mrs. M. S. Miller, Mr. R. Bayley; for Shanghai, Mr. and Mrs. W. S. Davidson, Mr. and Mrs. Chas. W. Raymond, Col. and Mrs. Burton, Mr. and Mrs. R. B. Blacker, Mr. and Mrs. G. A. Davey, Mrs. Vaughan Morgan, Mrs. E. Gordon, Mrs. S. Nathason, Mrs. E. A. Kabler, Miss M. L. Underwood, Miss Annie Blacker, Miss Richardson, Miss C. S. Litchfield, Miss Yuill, Miss A. M. Morrison, Miss B. Crosse, Miss A. M. Langton, Rev. S. H. W. Digby, Messrs. A. Chase, J. Perchard, A. McKenzie, E. A. McMillan, S. Dohiver and wife, J. G. Neumeister and wife, Dennett Barry, J. T. Hawks, H. P. Stringfellow, J. Robb, W. J. Thomson, M. Hopkins, R. Allerton, A. L. Farwell, A. N. Rantoul, I. Amory, W. S. Layton, C. F. Hare, E. St. J. Lawson, B. P. Thomson, E. Davey and C. W. Christie Miller.

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